

The Conference Board **MANAGEMENT RECORD**

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In the Record

When the Family Moves In—

"Opportunity is unlimited. You'll go up the line as fast as your abilities warrant." Thus saith some zealous employment managers. And yet promotion often stalls on the road. Frequently, nepotism is found to be the sand in the carburetor.

What can be done about it? Exclude relatives entirely? Maybe, but a majority of company executives say that such a hard and fast rule might conceivably disqualify some good men. A saner and more widely adopted policy is to neither encourage nor discourage the employment of relatives. In many cases the only regulatory action taken is to restrict their placement so that they do not come under the supervision of their kinfolk.

Company policy on the hiring of relatives must be made with a big picture in mind, several companies say. In particular, the community relations angle should be closely watched if an exclusion policy is favored. The story beginning on page 11 discusses the policies of various companies on this subject.

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Time To Watch Your Relations

That stock character, the husband whose wife "doesn't understand him," is comparatively happy as contrasted with the worker who doesn't understand the reason behind the latest ukase from on high. When the worker is confused by unexplained commands, the company's human relations suffer.

On the balance sheet of many companies an item called "good will" is carried. This is external good will. Perhaps a similar entry might be made for the internal situation. This might be called "good human relations." Were such an entry kept, it might be often "in the red" because of mishandling of the human element. Many, many factors go into the making of a favorable human relations balance. One of these factors is explored in the story on page 15.

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How Much is Enough?

How shield the worker from the threat of financial disaster when sickness or accident hits him and yet not encourage malingering? In these days of heightened social

consciousness, management men often find this problem staring them in the face.

Most insurance companies limit disability benefits under group insurance to two thirds of normal pay and none provide for full pay. The length of waiting periods is another point on which opinion varies. If it's too short, employees may remain absent longer than necessary in order to draw benefits. On the other hand, if it's too long it may work a hardship on the ailing paterfamilias.

Some companies get around this by covering the waiting period out of pocket, while others feel this is unnecessary. Practices of various companies on these aspects are covered in the story beginning on the following page.

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The In Comes Here and the Out Goes There

Hopeful consumers who were looking for substantial decreases in retail prices in 1949 were disappointed. After the drop in the fall of 1948, prices of consumers' goods included in THE CONFERENCE BOARD's index leveled off in 1949 at a point about 60% above the prewar base (January, 1939). Wages and employment, on the other hand, have held up fairly well with strikes accounting for interruptions to family incomes in some industries. With money wage increases in 1949 taking second place to added benefits, such as more liberal retirement plans, the purchasing power of family wage earners has undergone little change. The latest available data on these subjects of consumers' prices, wages and contract settlements are discussed in articles prepared by members of the Statistical Division beginning on pages 22, 25, and 30.

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The Job Is Bigger Than You Think

Long-range training objectives, says Thomas H. Nelson, should prepare all levels of employees for citizenship responsibilities by molding attitudes and viewpoints, developing loyalties, and assuring thorough understanding of our economic system. The educational approach that capitalizes on experience and helps the person to grow and develop with his position will lead to the goal of top men in top jobs. Mr. Nelson's paper, originally delivered before training specialists in New York, begins on page 8.

Group Accident and Sickness Insurance¹

ILLNESS is a major hazard for the wage earner and his family. If the disability is prolonged, it may mean financial disaster to him. Group accident and sickness insurance performs a valuable function in industrial life today by providing the worker with financial protection against loss of income due to disability.

How much the worker shall receive in disability benefits under the group insurance plan must be decided by each company within the framework of the insurance company's underwriting rules. A benefit of full pay is never provided under the group insurance program. Most insurance companies recommend that the disability benefit shall not exceed two thirds of normal pay, excluding overtime. This amount will provide the worker with essentials, but will not be an incentive to malingering. Most insurance companies limit the maximum benefit to forty dollars a week, but a few carriers have raised this maximum to sixty dollars a week.

To cut down on the cost and to eliminate many small claims, the first few days of illness are not paid for. This excluded time is designated as the waiting period.²

UNDERWRITING RULES

As in other forms of group insurance coverage, the insurance companies have formulated underwriting rules to govern the issuance of their contracts. In brief they are:

The minimum number of employees which may be included under a group sickness and accident benefit plan may be as low as twenty-five under the rules of some insurance companies, but the minimum is more often set at fifty. If employee contributions are required, at least 75% of eligible employees must participate. Some insurance companies require that the employer assume at least 25% of the cost if the plan is on a joint-contributory basis.

DISABILITIES COVERED

Under group sickness and accident coverage the employees are compensated for any disability caused by sickness or accident of a nonoccupational nature. The plan is not intended as a supplement to workmen's compensation. Only two of the 212 disability benefit plans studied by THE CONFERENCE BOARD provide for occupational accident coverage.

¹This is a chapter of a forthcoming Conference Board Report on this subject.

²See p. 4 for further discussion.

There are very few restrictions on the disabled employee. He need not be confined to his home, but is eligible for benefits as long as he is under the treatment of a physician.

THE BENEFIT SCHEDULE

Of the 261 companies covered in this survey, 212, or 81.2%, have included group sickness and accident benefits in their insurance coverage. The same schedule of disability benefits applies, as a rule, to all who fulfil the basic requirements, regardless of whether the individual is a wage earner or a salaried employee. In a small minority (18 companies), separate schedules of benefits have been adopted for these two classes of employees.

Benefits for Wage Earners

The present discussion is confined largely to the benefits available for wage earners, but because most of these plans apply to wage earners and salaried alike, these observations are applicable to all employees, with minor exceptions described later.¹

Of the 212 plans with disability benefits, 124, or 58%, gear the benefits to the employees' compensation. Under this type, the employees are divided into earnings classes, and all within specified income limits receive the same benefits. In a third of the plans, all eligible employees are entitled to the same benefits, regardless of their earnings or position. These flat-sum benefits are found more frequently in the union-

¹See p. 4 for more complete description.

Table 1: Amount of Weekly Flat-sum Benefit, 1949 and 1945

Weekly Benefit	1949 Survey		1945 Survey	
	Number of Plans	Per Cent of 62 Plans	Number of Plans	Per Cent of 59 Plans
\$8.00.....	1	1.6	2	3.4
8.50.....	1	1.6	.....	.....
10.00.....	5	8.1	19	32.2
10.50.....	3	4.8	14	23.7
12.00.....	2	3.2	4	7.8
14.00.....	5	8.1	5	8.4
15.00.....	13	21.0	9	15.3
17.50.....	9	14.5	.....	.....
18.00.....	2	3.2	.....	.....
20.00.....	12	19.5	2	3.4
21.00.....	3	4.8	2	3.4
22.00.....	3	4.8	.....	.....
24.00.....	1	1.6	.....	.....
25.00.....	2	3.2	.....	.....
Miscellaneous.....	.....	.....	2	3.4
Total.....	62	100.0	59	100.0

TABLE 2: AMOUNT OF WEEKLY ACCIDENT AND SICKNESS BENEFITS, GRADUATED ON BASIS OF EARNINGS—WAGE EARNERS

Weekly Benefit	Weekly Compensation								
	\$20	\$25	\$30	\$35	\$40	\$50	\$60	\$75	\$100
\$7.00.....	2	1	1	1	1	1	1	....	....
7.50.....	2	....	....	....	....	....	....	....	....
8.00.....	1	....	....	....	....	....	....	....	....
8.01 to \$9.99.....	....	1	....	....	....	....	....	....	....
10.00.....	26	13	6	2	....	....	....	1	....
10.50.....	6	3	1	....	....	....	....	....	....
12.00.....	3	2	1	....	....	....	....	....	....
12.50.....	5	5	2	....	....	....	....	....	....
13.00.....	3	2	....	....	....	....	....	....	....
13.01 to 13.99.....	1	1	....	....	....	....	....	....	....
14.00.....	20	20	13	5	2	....	....	....	....
14.50.....	1	1	....	....	....	....	....	....	....
15.00.....	25	39	23	17	4	2	1	1	2
16.00.....	2	4	3	2	....	....	....	....	....
16.01 to 17.49.....	2	4	2	....	....	....	....	....	....
17.50.....	4	7	8	11	4	3	1	1	1
18.00.....	4	6	7	5	2	....	....	....	....
18.01 to 19.99.....	....	....	4	2	2	1	....	....	....
20.00.....	3	4	26	29	32	13	9	8	6
21.00.....	4	4	18	23	21	12	11	9	8
21.01 to 21.99.....	....	....	....	2	2	1	....	....	....
22.00.....	3	3	5	11	6	4	2	1	1
22.01 to 23.99.....	....	....	1	4	4	2	1	1	1
24.00.....	1	1	1	3	2	3	1	1	....
24.50.....	....	....	....	5	5	6	3	3	3
25.00.....	....	....	2	2	20	23	12	14	11
26.00 to 27.99.....	....	....	....	....	6	3	1	....	....
28.00.....	....	....	....	....	5	12	9	6	3
28.01 to 29.99.....	....	....	....	....	....	1	1	1	....
30.00.....	....	....	....	....	6	24	30	24	23
30.01 to 34.99.....	....	....	....	....	....	7	8	4	2
35.00.....	....	....	....	....	....	6	17	13	9
35.01 to 39.99.....	....	....	....	....	....	....	5	8	4
40.00.....	....	....	....	....	....	....	9	19	25
42.00.....	....	....	....	....	....	....	2	3	9
45.00.....	....	....	....	....	....	....	....	3	2
45.01 to 49.99.....	....	....	....	....	....	....	....	3	3
50.00.....	....	....	....	....	....	....	....	....	2
50.01 to 59.99.....	....	....	....	....	....	....	....	....	2
60.00.....	....	....	....	....	....	....	....	....	2
Total plans.....	124a	124b	124	124	124	124	124	124	124

aIncludes 6 plans which do not pay benefits on income of \$20 a week.
Note: Median figures shown in bold face.

bIncludes 3 plans which do not pay benefits on income of \$25 a week.

negotiated plans than in the employer-initiated programs. In eleven plans, the benefits are graduated on the basis of position, rather than compensation, with supervisors and executives receiving larger benefits than do the rank-and-file employees. The same number of plans provide for smaller benefits for women than for men.

1949 Benefits Higher

It will be observed from Table 1 that the majority of the flat-sum plans provide for a benefit ranging from \$15 to \$20 a week, with the median benefit at \$17.50. This median benefit is two thirds higher than the comparable figure found in the survey made in 1945 where the median flat-sum benefit was \$10.50 a week.

Another trend noted is the larger proportion of the present group insurance plans which provide benefits related to the employees' income: 58% of 1949 plans, as contrasted with 44% in 1945. These

schedules of benefits which are based on salary or wage classifications vary enormously. An arbitrary wage scale has been set up, and the 124 schedules analyzed to discover the amount of benefits to which an employee would be entitled at specified compensation levels, which range from \$20 to \$100 a week.

A wide range of benefits is made available to employees within each of these salary levels, as will be observed from Table 2. For example, for the worker earning \$30 a week, the benefits range all the way from \$7 a week under one plan to \$25 at the other extreme. In the majority of plans, however, the workers earning \$30 a week receive a benefit of from \$15 (twenty-three companies) to \$21 (eighteen companies). In all, one hundred of the 124 plans graduating benefits on the basis of income provide the worker earning \$30 a week with a benefit equal to half pay or better.

The majority of these graduated plans provide a benefit equal to more than half pay at all salary levels

Table 3: Proportion of Disability Benefit Plans Which Provide for Benefits in Excess of Half Pay, 1949 and 1945

Weekly Compensation	1949 Survey		1945 Survey	
	Number of Plans Providing Benefits of More Than Half Pay	Per Cent of 124 Plans	Number of Plans Providing Benefits of More Than Half Pay	Per Cent of 66 Plans
\$20.....	87	70.2	37	56.1
25.....	96	77.4	46	69.7
30.....	77	62.1	28	42.4
35.....	86	69.4	31	47.0
40.....	77	62.1	32	48.5
50.....	53	42.7	18	27.3
60.....	41	33.1	21	31.8
75.....	36	29.0	11	16.7
100.....	4	3.2	n.a.	n.a.

n.a. Not available

up to \$40 a week. The trend toward higher benefits is clearly indicated by Table 3 which gives the number of plans under the 1949 and 1945 surveys providing benefits of more than half pay at specified salary levels.

A tabulation has been made of the median benefit at each wage level, and comparison made with a similar analysis in 1945. This analysis (Table 4) also shows the larger benefits available in 1949. Although, in the 1945 survey, the benefits under the graduated plans amounted to half pay in the compensation groups of from \$30 to \$50 a week, workers in these corresponding groups now receive more than half pay. At the \$20 a week level, the worker receiving the median disability benefit gets 70% of his weekly income, while at the \$25 and \$30 level, the benefit equals 60% of pay. The disparity in the size of benefits between the 1945 and 1949 surveys tends to disappear at the higher income levels until at the \$75 level the employee in the median group in both surveys receives 40% of his pay as a disability benefit.

One reason for the proportionately lower benefit in the higher-income brackets is the limits which the insurance companies place upon the maximum benefits. In only twenty plans studied is the maximum benefit allowed over \$40 a week, and in only two is it \$60 a week.

Benefit Schedule for Salaried Employees

Under 70% of group health and accident benefit plans, wage earners and salaried employees participate on the same basis. In forty-four companies or a fifth of the total, the salaried employees are not eligible for participation in the group disability benefit plan. In another eighteen companies, or 8%, there are separate schedules for salaried employees.

Under the eighteen companies with separate plans, three provide a flat-sum benefit of \$20 a week and thirteen provide benefits graduated on the basis of income. These schedules have been analyzed but

they are so similar to the corresponding table for wage earners that they have not been shown. In general, the salaried workers in the median group receive the same proportion of their pay as the wage earner, with minor exceptions. (See Table 4.)

Graduated by Sex or Position

A few companies determine the amount of disability benefits on the basis of the employee's sex. In these cases, the woman employee receives a smaller amount than the man. Another small group provides different amounts of benefits on the basis of position. The wage earner receives the smallest amount, the foreman or department head a somewhat larger amount, with those in the executive group receiving amounts which range from \$20 to \$40 a week, depending on the plan. (See Table 5.)

WAITING PERIOD

A distinction is usually made between the types of disability in setting the length of the waiting period
(Continued on page 36)

Table 4: Median Weekly Disability Benefit under Graduated Plans, 1949 and 1945

Weekly Compensation	1949 Survey		1945 Survey	
	Weekly Median Benefit	Benefit as Percentage of Compensation	Weekly Median Benefit	Benefit as Percentage of Compensation
\$20.....	\$14.00	70.0	\$10.50	52.5
25.....	15.00	60.0	14.00	56.0
30.....	18.00	60.0	15.00	50.0
35.....	20.00	57.1	17.50	50.0
40.....	21.00	52.5	20.00	50.0
50.....	25.00	50.0	25.00	50.0
60.....	30.00	50.0	25.00	41.7
75.....	30.00	40.0	30.00	40.0
100.....	35.00	35.0	n.a.	n.a.
Flat-sum benefit....	17.50	.....	10.50	.....

n.a. Not available.

Table 5: Benefits Graduated on Basis of Sex or Position

Weekly Benefits	Benefits Graduated on Basis of Sex		Benefits Graduated on Basis of Position	
	Men	Women	Foremen and Department Heads	Executives
\$7.50.....	.....	1	.....	.....
9.00.....	.....	1	.....	.....
10.00.....	.....	3	.....	.....
10.50.....	1	1	.....	.....
12.00.....	1	2	.....	.....
14.00.....	1	.....	.....	.....
15.00.....	4	1	.....	.....
20.00.....	.....	1	2	2
21.00.....	.....	.....	1	.....
25.00.....	2	.....	1	.....
28.00.....	.....	.....	2	3
30.00.....	.....	.....	4	4
40.00.....	.....	.....	1	2
Graduated on basis of earning	2	1	.....	.....
Total.....	11	11	11	11

What Makes Merit Rating Tick?

A summary of the Round Table conference on this subject at the 306th Meeting of the National Industrial Conference Board at the Waldorf-Astoria Hotel on Thursday, September 22, 1949. George Bennett, President, The Psychological Corporation, presided.

Panel

- Frederick G. Atkinson, Director of Personnel and Industrial Relations, R. H. Macy & Co., Inc.
- Robert Cannon, Personnel Manager, Connecticut Telephone and Electric Division, Great American Industries, Inc.
- R. S. Driver, Assistant Manager of Industrial Relations, Atlantic Refining Company
- Clifford E. Jurgensen, Personnel Director, Minneapolis Gas Light Company
- Matthew Radom, Employee Relations Advisor, Standard Oil Company (New Jersey)
- M. M. Olander, Director of Industrial Relations, Owens-Illinois Glass Company

CHAIRMAN BENNETT: As most of you know, THE CONFERENCE BOARD made a survey of merit-rating plans in 1942, the results of which are still in use. Two other recent reports of THE CONFERENCE BOARD touched on it. The first was a survey of morale factors important to employees, executives and labor leaders. The second dealt with employee attitudes toward salary plans.

It seems to me that a good merit-rating plan should accomplish all of the following objectives. It should stimulate increased productivity by identifying and rewarding merit. This reward may be financial or nonfinancial in nature. It should improve employee morale by indicating management's interest and providing an answer to the question, "How am I doing?"

It should improve management's position when called upon to justify its personnel decisions. Seniority rules, grievance procedures and impartial umpires are only a few of the devices by which management is being made to defend its acts. Merit rating has proved to be an effective device in many instances.

Suppose we start the discussion by asking Mr. Jurgensen what factors he considers most important in the initiation of a rating plan.

TEN ESSENTIALS

MR. JURGENSEN: I would itemize ten basic factors.

1. The first one would certainly be the development of written policies pertaining to or related to employee appraisal. For example, policies with regard to rate ranges, promotion, layoff, incentives and other policies which are related to merit ratings of employees in a background sense must be available before we can expect to have an adequate rating program. Provision for implementing these policies is, of course, included in this point.
2. A clear-cut definition of the purposes of the rating plan.
3. A program for training the raters in how to rate and a continuing program for improving that ability.
4. Adequately constructed rating scales.
5. Qualified over-all supervision of the plan's development and administration. This includes what we might call a watch-dog responsibility over the validity and reliability of ratings.
6. Willing participation on the part of all persons who are making ratings.
7. Private interviews with the employees who have been rated.
8. A program to improve the rater's interviewing abilities. That again must be a continuing program.
9. Full understanding of the plan by all persons concerned.
10. The acceptance of the plan by the union.

CHAIRMAN BENNETT: Let's discuss some of those factors. What are the purposes for which rating plans are used?

OBJECTIVES

MR. DRIVER: You stated at the outset three broad objectives: to increase productivity, to improve employee morale, and as a basis for justification of management's position. Breaking that down into more familiar terms, we generally think of merit rating in connection with salary increases where there is a rate range. We think of it in terms of promotion, of layoff, in terms of probationary employees (whether they should be retained or not). Merit rating can help to improve supervisors and their ability to analyze and stimulate people.

Ratings are also used on occasion to indicate the need for specific training. Likewise, they have a limited use as a basis for determining and improving the value of other instruments that you may wish to use. The selection process is an example.

The question is: Should we use merit rating? You have to answer that for yourself. Yet, I doubt that there is anybody who isn't merit rating in some form or another. You appraise a fellow working next to you. You appraise the people working under you. I suppose this panel will be saying, "Let's do it in a systematized way if that is desirable."

CHAIRMAN BENNETT: Mr. Olander, what are some of the problems of installing a rating plan?

MR. OLANDER: I think I can answer that best by telling briefly about our experience. It started in a muddled stage and is still evolving.

Thirteen years ago we did some point rating. We tried to establish the total point value for each employee. We started with fourteen rating factors and gradually reduced them to six.

After two years' experience with that, we decided the relevant scores did not accurately indicate the relative value of the man. We stopped keeping individual scores.

Then we used a graphic scale, a profile, in which we tried to determine whether a man was going backward or forward. This met with limited success.

After four or five years, we reexamined what we were trying to do. We decided in our own mind that the improvement of the individual was much more important than the appraisal alone. As a result, we made another radical change in our merit-rating plan. We developed a checklist instead of the graphic scale rating form. I believe the checklist was in some respects an improvement over anything we had done before. Yet, through the years, we found there was always a barrier to whatever we tried to do. Supervisors were not genuinely interested in the merit-rating plan.

So, at the present, we are experimenting with a plan that is entirely different. It may seem a bit radical. And it may seem unusually simple.

We now have a single purpose in our merit-rating plan. It is to give the supervisor a tool with which he can deal more effectively with his people. We have two subobjectives: first, to see that he helps people improve on the job, and secondly, to see that he lets people know where they stand with him.

That is the purpose of the rating plan. We don't intend it to be used in promotion, transfers or anything else. So far, it looks promising to us.

SELLING THE PLAN

CHAIRMAN BENNETT: How do you sell a rating plan? How do you get the cooperation of the organization? Who would care to comment on that?

MR. CANNON: The first job, of course, is to sell it up at the top. But that is not enough. The plan will not work unless you get the supervisors and the

employees themselves convinced that merit rating is desirable.

The plan must be carefully thought through and written up.

Sell the plan to those who are going to do the rating. The raters should be brought together, preferably in small groups. They must understand the purposes of the plan and how it will affect them. The advantages to them should be stressed. Then they should be given full opportunity to ask questions.

A similar process must be followed in selling the plan to the rank-and-file employees. If there is a union, you also have to convince the union that you have convinced the employee. Sometimes that is a hard job. At any rate, you have to keep working with your foremen continually to keep them aware of what you want to accomplish. You also have to keep educating the union representatives.

MR. JURGENSEN: I would like to get a word in on this.

At the risk of being accused of oversimplification, it appears that the problem of selling a merit-rating scale is characteristically the same as selling anything else. We can sell something to a person if we have something that he wants.

If we can show employees, supervisors, unions, or any other group that they will benefit from a rating plan rather than be harmed by it, they will be sold. That is a basic selling technique. Let's not overlook it when it comes to selling merit rating.

CHAIRMAN BENNETT: What are some of the sales arguments you use?

MR. JURGENSEN: The answer to that question must necessarily vary from one situation to another. For example, if the union has been pushing for seniority and if it considers merit rating to be a threat to seniority, we should anticipate that the union will oppose merit rating. We must then ask ourselves:

"Why are they pushing seniority?" If they are doing so simply because they do not have confidence in management's ability to judge merit accurately, it is imperative to develop a basically sound rating program. Understanding of the plan must then be obtained. Often a simple discussion with all persons involved, giving them an opportunity to air their views, will convince them that there is nothing to be feared. When fear has disappeared, the plan will probably be accepted.

MR. RADOM: You may have to sell at the top, but sometimes the demand for merit ratings comes from the bottom. We have made some employee opinion surveys, and one of the questions asked was: "What do you think should be the most important factor in promotion?" The possible answers were merit, seniority, number of relatives in the company,

ability to polish apples, and so forth. Our employees rated merit first in all surveys made.

CHAIRMAN BENNETT: Do you think it makes any difference whether you call it a merit-rating program, or does a rose by any other name smell as sweet?

MR. RADOM: I like to look at it more as a reporting method than as an evaluation method. The evaluation is done by someone after he receives the reports. So, for my money, I would like to call it a performance report.

MR. OLANDER: I think so much depends on whether the supervisor in rating his people is going to be enthusiastic about it. It depends on whether or not he feels it is going to do him some good. We ask each supervisor to write a job specification for each job that he supervises. Then he rates on those factors.

The whole program is by the supervisor and for the supervisor. He can't say, "This doesn't fit me," because every job under his supervision has been written by him. Our supervisors, for the first time, have become enthusiastic about rating.

USE OF RATINGS

CHAIRMAN BENNETT: How do you make effective use of merit ratings at Macy's, Mr. Atkinson?

MR. ATKINSON: Someone in the group remarked that we are making personnel judgments every day, rightly or wrongly, whether we have a merit-rating system or any other system. I would like to remark what everybody who has been in this work ten years or longer knows, namely that mistakes in the personnel side of the business are becoming prohibitively expensive. Some years back, the personnel job wasn't a very respectable job, but now mistakes have become so expensive, by reason of the rising labor costs, that every industry is concerned with personnel administration and it has become, perforce, a respectable activity.

It is a curious thing about mistakes in the personnel end of the business. They are not easy to liquidate. If you buy the wrong materials or even make the wrong product for a time you can liquidate the mistake. But mistakes in handling human relations problems are extremely difficult to liquidate.

We make the first rating on sales people after twenty days of employment. We want to pick up any defects in their initial training. It gives us an opportunity to find out how they feel they are getting along, and whether their induction has been good, bad or indifferent. It also reminds the operating supervisor of his responsibility for knowing how they are getting along and seeing that they get along as well as possible.

Ratings obviously are of use to the employment department in locating people who are suitable for

promotion, and in flagging people whose performance ought to be followed up more closely.

We look at ratings when an employee asks for a leave of absence which may or may not be granted at the company's discretion. Normally, we will not extend special consideration to employees whose work is not rated wholly satisfactory.

MR. OLANDER: I think we should not get into the frame of mind of expecting merit ratings to do too much. I think we have to nail it down. For example, if the merit-rating form is not looked upon as a useful tool by the supervisor, what good is it?

The supervisor needs something specific to talk about. He must break the job down. He lists the important things in doing a job and then he sits down and discusses the list with the employee. They come to an agreement. Then the supervisor has a firm basis for making his ratings later on.

BETTER WORK THROUGH RATINGS

CHAIRMAN BENNETT: Are merit ratings used for the purpose of employee improvement?

MR. JURGENSEN: Mr. Olander has already mentioned one such use, that is, the conference with the employee.

There are other means whereby the merit ratings can also be used for employee improvement. One is in the development of a training program for a large group of employees. If we find that the employees in a particular department are consistently rated low and are found ineffective in this or that respect, certainly there is an indication that we can and should develop some technique, such as a training program, to overcome those deficiencies.

We can also use merit ratings with a single employee in essentially the same way. A low rating may identify a difficulty which can be corrected by training.

Then there is a third point, already mentioned, namely, the conference with the employee. This serves the function of getting the supervisor and the employee closer together with the result of increased productivity and improved morale.

We should not stop with merely telling an employee where he stands. If we are to improve him we must make sure that he accepts what we say. There is an enormous difference between an intellectual understanding of what the boss says and an emotional acceptance of what he says.

Let's tell the employee that, "In my opinion, from my observations, these are your strong points and these are your weak points." The employee will not argue nearly as much with such a view as he will with statements purporting to be irrefutable facts. However, if an employee does argue, we can say, "Well, your opinion and my opinion are at variance. We

(Continued on page 38)

How Training Can Help Management¹

By Thomas H. Nelson

MANAGEMENT recognizes, today, that it needs to take full advantage of every instrument that will equip persons to perform more effectively and more willingly—both as individuals and as working teams. Among management's most effective instruments for changing behavior are training and education. They can be used to develop the kind of persons desired as well as the degree of technical skills required. They can change viewpoints, attitudes and loyalties so essential to high productivity and teamwork. They can be used with executives and administrators as well as with workers and supervisors, where they have been used so successfully in the past. Training directors in the more progressive companies have recognized these larger possibilities of training and education and are demonstrating their possibilities on the upper organization levels as well as with workers.

In view of these developments, it is appropriate to review, restate and publicize the role of training and education in industry and business. In the discussion that follows, the words "training and education" will be used interchangeably even though one might, if he desired, make distinctions between them.

OBJECTIVES AND SCOPE

As management expects and requires more of training, its objectives are broadening and its scope is extended.

For many years the primary aim of training was to transmit knowledge and to develop skills for specific jobs. Today the objectives include the changing of attitudes and viewpoints, giving an understanding of our economic system, building of better citizens, and developing of loyalties.

Today training is extending the scope of its concern to include executives and administrators in addition to workers and supervisors. Management is expecting more of it and providing more support for it. And training directors are having to demonstrate that they have a philosophy and a psychology adequate to meet these larger demands.

As Russell J. Greenly, assistant director of personnel relations of Jones & Laughlin Steel Corporation,

said recently, "We have a lot of training activities under way in our company but what we need most right now is a clear-cut philosophy that guides us to what we should be doing and a psychology that is adequate to tell us how to implement our basic objectives."

SOME CASE HISTORIES

Let's look at some typical case situations which reveal the needs for broader viewpoints and new and better methods.

Company A, with a large backlog of orders and a plant manned to capacity, was producing only one third of what it should. A study showed that the poor results were due partly to antiquated and inefficient methods and partly to attitudes of both workers and supervisors. Conferences with key worker groups resulted in the workers promising a 75% increase in productivity provided supervision improved its human relations and provided management changed some of its technical methods. The foremen were frustrated and discouraged, the workers were sabotaging work to circumvent wage rates and to make more work. A training program emphasizing leadership attitudes and techniques, plus some improvement in materials handling, resulted in a 123% increase in productivity within six months.

Case B was a company with a progressive management but with a lack of "give and take" in the top executive group. A training program in human relations and group thinking changed both the attitudes and the techniques of coordination and cooperation. Conferences were shortened; solutions to many management problems were arrived at by group thinking and were put into action with enthusiastic cooperation instead of after pressure from the president. One of the more difficult individuals in the group summarized the results of the training by saying, "We all learned to accept criticism more graciously." Executives learned to tackle common problems as a cooperative group instead of spending time and energy defending their own departments against the others.

In case C a progressive company had just introduced a new plan of top management organization radically different from the plan which had been in operation for many years. Half the executives on the two top levels were comparatively new. An executive development program of lectures, discussions and

¹When this paper was read by Thomas H. Nelson before a group of training specialists in New York City recently, it aroused so much interest that THE CONFERENCE BOARD asked permission to publish it for the benefit of a wider audience. Mr. Nelson is President of Executive Training, Inc., and a partner of Rogers & Slade, management consultants, New York City.

problem-solving sessions was carried on to train the executives in how to make the new organization work. It accomplished even more than was expected.

These case histories illustrate that training is concerned with broader objectives than technical knowledge and skills and that it has a significant contribution to make on the upper levels of management.

THE FIELD OF TRAINING

The field of training is as broad as all operations and functions which can be improved through the behavior of persons and as broad as all persons who can grow in performance or to higher levels.

This concept of training is seldom stated or practiced by training directors. It is seldom fully appreciated by management.

Unfortunately, the traditional concepts of education have handicapped training in business and industry in measuring up to its larger possibilities. Too often education is thought of as preparation for adult living—getting ready now for later advancement or storing up knowledge for later use. It conceives of the world as static, not as rapidly changing and evolving. General education, even professional education on the college level, teaches very little about how to meet new situations, how to learn from experience or how to educate oneself. The emphasis is placed on learning the right answers and then applying them as needed.

And yet we realize today that the big need is for improving the present conditions in which we live; it is dealing with the now and the present; it is the continuous development of oneself in the present situation—not merely getting ready for change to another one. This applies to top management and executive levels as insistently as it does to lower levels. The job of training is not merely that of passing wisdom and skills to others; it is to create wisdom here and now for ourselves out of the experiences in which we live and act.

It is from this point of view that the field of training becomes as broad as all operations which can be improved through the behavior of persons and as broad as all persons who can grow in performance and to higher levels.

FINDING THE NEEDS FOR TRAINING

The approach to determining training needs is twofold. It is improving operating situations and it is helping persons to grow and develop. The approach is not what courses or classes of subjects can be offered. The training director must learn to look at work situations through the operating manager's eyes and also in somewhat the same way as the industrial engineer. He must ask, "What is unsatisfactory about these operations?" "Where are there leaks and losses?" and "What problems are due to performance?"

The training director, however, should not be lim-

ited to an operating executive's vision of what can be done to change and improve individual performance. And he must know what objectives and standards of performance are feasible as well as what is wrong now.

He differs from the industrial engineer, too, in that he must interpret unsatisfactory situations into needs for more knowledge, or skills and better attitudes.

Gordon Van Ark, division manager, personnel development, General Foods Corporation, lists four essentials in making this approach:

1. The line operating manager must participate in the selection of the problem situation and the end result to be achieved.

2. Management must be convinced that training will help improve the situation.

3. The training program must be aimed at the primary need. Methods selected must be those that will bring about the desired changes. (Here is where the training director must be professionally resourceful and creative.)

4. Training must be followed by controls. There must be assurance that training will be permitted to function and that the results of the training will be utilized.

This approach to training needs holds good right up to the president's desk.

CONCERNED WITH THE WHOLE PERSON

The training program that grows out of the previous statements must be concerned with the whole person; it must develop desirable attitudes, emotions, temperaments and dispositions as well as transmit knowledge, build skills, and develop abilities.

We are becoming more and more aware of the fact that performance, both individual and group, depends as much on attitudes as on skills and abilities. Workers' productivity fluctuates according to the way they feel (Case A). Executives utilize sound principles of organization and good human relations or violate them according to their own temperamental moods (Case B). Supervisors measure up to responsibility or fail to do so depending on their attitudes. Fortunately, we are learning that training and education can help develop emotional maturity and stability; even "old dogs" can be taught new tricks.

HOW TO THINK vs WHAT TO THINK

Educators have always claimed they were developing the students' ability to think; the more difficult and meaningless the subject matter, the more valuable it was, according to their argument, in terms of mental discipline. But an analysis of the curricula of our schools will show very little, if any, attention to the ways in which the mind works. There is little that

equips the individual to get back of the steering wheel of his own mental equipment; there is little about the use of the "gadgets" on his mental dashboard; the student just gets in and drives.

Charles F. Kettering of General Motors often quotes Josh Billings, "The trouble with most folks is not so much their ignorance, as their 'knowing' so many things which ain't so."

It all adds up to too much emphasis on what to think and too little on how to think.

Provision is beginning to be made in a few companies, particularly with executives, for systematic training and developing in relation to:

- How to distinguish between facts, data and opinions
- How to analyze a problem situation
- How to ask questions to guide the mental processes
- How to do creative thinking (imagination)
- How to generalize—to develop guiding concepts out of concrete experiences
- How to test one's logic—and the other fellow's too

We often say that thinkers are born that way just as we used to say that salesmen were born. Today we are training salesmen. It is time we did more in training thinkers; equipping men consciously to direct and critically to appraise their own mental efforts.

CAPITALIZE UPON EXPERIENCE

Training should capitalize upon daily experience. Too often the training director gives in to the temptation to interpret needs into lectures, discussions, hypothetical problems, role playing, examinations and the traditional training devices which he sets up apart from the actual work situations. Sometimes this is necessary but every possibility of integrating training with work experience should be canvassed first.

How can experiences be used as subject matter, as objectives, and as tests of methods and results? Here are a few suggestions:

1. *Internship* of young management trainees
2. *Rotation*, particularly of younger men through a planned variety of work experience
3. *Understudy assignment* on middle and upper executive levels

Too often the three above are mere assignments in work experience as if exposure is adequate in itself. The larger values of work experience can only be obtained by directing conscious and critical attention to the "what," "why" and "how" of the experience as the work situation develops and through give-and-take discussions following the work experience.

There is a large difference between exposure to experience that is merely a series of sensations on the one hand and educational experience where persons learn to understand the meaning and appreciate the significance of the experience, master better ways

of dealing with recurring experience, and consciously learn how to learn.

4. *Appraisals of performance and potentials.* These can be merely required rating forms or they can become ways of determining how to counsel and guide individuals in their continuous development.

5. *Consultative management.* Staff meetings can be more than ways of providing participation and developing teamwork, valuable as these results are; they can also be made learning occasions where a group under guidance can review, appraise and improve their methods of problem solving.

6. *Project and committee assignments.* These, too, can be made educational at the same time that they get work done

7. *Train executives in how to develop subordinates.* It is the responsibility of every executive to develop as well as to direct his subordinates. Too few executives recognize this responsibility and fewer still know how to discharge it. It is the training director's job to help management establish the principle and to equip executives to carry through.

The foregoing ways of capitalizing on experience illustrate, but do not exhaust, the possibilities. Whether or not the training director makes himself felt in this area depends first upon his philosophy of education and, of course, upon his resourcefulness in developing ways and means to accomplish it.

Is education merely preparation for later experience or is it primarily learning from experience to deal with experience?

Is education mainly knowledge and skills or is it learning how to learn?

Is education mainly subject matter or is it consciously changed behavior?

Are methods the devices for transmitting knowledge and building skills or are they ways of improving thinking, feeling and acting on the job itself?

The way in which the training director answers these questions will determine the extent to which training utilizes work experience.

EXECUTIVE DEVELOPMENT—A NEW FIELD

There is a rapidly growing recognition that top management must provide a long-range, systematic program of executive development right up to the top of the organization chart. Increasingly, company presidents are asking what they must do to provide a continuity of qualified management. It is one of the president's major responsibilities and one which he can deputize only to a degree.

The job of executive training is bigger than providing replacements. The results are much broader. Awareness of the need and the values of executive development is increasing; experience is piling up rapidly to guide effective efforts provided the president

(Continued on page 40)

Relative to Relatives

IT's OK to hire them, but don't place them under the supervision of their kinfolk." That, in sum and substance, is the opinion of the majority of employers on the problem of hiring relatives.

Evidence that favored treatment is granted an employee because of blood relationship can cause a serious morale problem in any company. Guarding against accusations of nepotism is a constant concern of management. In a recent speech, Hughston M. McBain, chairman of the board of Marshall Field and Company, highlighted this problem as it relates to a positive program for preserving free enterprise. He urged all businessmen to see to it that "people really do have equal opportunity . . . that promotion up the line actually works . . . that relatives are not favored over others."¹

If nepotism is a problem, what can be done to correct it? What selection and placement measures can be taken to eliminate or, at least, control it?

WHAT IS THE POLICY?

One solution, and a severe one, is to specifically prohibit the hiring of relatives of any current employee. Another is to permit the hiring of relatives, but to carefully regulate their placement in the organization. On the basis of a Conference Board survey² on this subject, it appears that the latter solution is by far the more popular one.

Most industrial relations directors would probably challenge the wisdom of a policy which said "No relatives under any condition." A rigid rule such as this might conceivably militate against the company's policy of hiring the best individuals available. The answer to the problem of nepotism, where it exists, doesn't appear to lie in imposing an iron curtain on relatives. Such a strict policy draws forth the following comment from one executive, "I think that all of us should remember that there are few hard and fast rules that are worth a hoot in good industrial relations. Whatever rules are made should be initiated with a definite understanding of the nature of the problem existing in that particular company."

As can be noted from tables 1 and 2, a large majority of companies do not exclude relatives.² But where they are hired, their placement in the organization is to some extent restricted. Two types of re-

¹An address before the 33rd Annual Meeting of the National Industrial Conference Board, May 25, 1949, held at The Waldorf-Astoria Hotel, New York City.

²National Industrial Conference Board, *Studies in Personnel Policy*, No. 88, "Personnel Practices in Factory and Office" (Revised), March, 1948, tables 6 and 124, pp. 11 and 42.

strictions are most frequently cited. One is to prevent employees from being placed under the supervision of a relative. The other is to prohibit them from being placed in the same department as a relative.

As might be expected, there are more restrictions on the placement (as well as hiring) of relatives of salaried employees than of hourly workers. (See tables 1 and 2.) Opportunities for nepotism are more likely to occur when the applicant is a relative of a salaried person, particularly one with supervisory or executive responsibility. As a matter of fact, in more than a few companies where relatives of nonsupervisory employees are hired freely, company policy or practice forbids the hiring of relatives of those in managerial jobs. Note, for example, the following expressions of policy from several companies:

"Other qualifications being equal, preference for employment will be given to former employees with satisfactory employment records and to sons and daughters of present

Table 1: Policies on the Employment of Relatives of Hourly Workers

Policy	Number of Companies, by Hourly Workers per Establishment					
	Total		Under 250	250 to 999	1,000 to 4,999	5,000 and Over
	No.	%				
Will employ husband or wife?						
Yes.....	315	88.7	35	136	119	25
No.....	40	11.3	8	18	11	3
Total.....	355	100.0	43	154	130	28
No women employed.	45	....	9	26	9	1
Will employ other relatives?						
Yes.....	377	94.2	48	169	132	28
No.....	9	2.3	1	7	1	....
Not shown.....	14	3.5	3	4	6	1
Total.....	400	100.0	52	180	139	29
Restrictions on employment of relatives, if hired						
No restrictions.....	193	51.2	29	106	51	7
Have restrictions.....	184	48.8	19	63	81	21
Total.....	377	100.0	48	169	132	28
Type of restriction ¹						
None placed under supervision of relative	160	....	12	62	65	21
None placed in same department as relative.....	64	....	8	22	26	8
None in same household hired.....	1	....	1	....	....	....

¹Some companies have more than one type of restriction.

and pensioned employees, except that relatives of foremen and company officials may not be employed in the same plant as the foreman or official."

* * *

"It is contrary to company policy to employ relatives of officers or executives, or of the directors who are active in the management of the company."

* * *

"Relatives of employees of the corporation may be employed except as follows:

"Relatives of officers of the corporation may not be employed.

"Relatives of employees holding positions in the following divisions or departments may not be employed:

General management division

Staff division

Personnel division

Pay-roll department

Tabulating department

Treasury department

"At no time may an employee work under the immediate supervision of a relative. Whenever a relative of an employee is given employment by the corporation, a special effort should be made to place the person hired in a department other than that in which the related employee works."

* * *

"As a general rule, family connection is no bar to employment in the company. Employment and promotion depend on individual and merit. However, no applicant will be placed in a job where he reports to a relative. As an exception to this general rule, the company does not employ relatives of officers or executives, or of directors of the company."

ENCOURAGE HIRING OF RELATIVES

Although most companies permit the hiring of relatives, this does not necessarily mean that they either encourage or discourage such a practice. Should the relative of an employee appear at the employment office, he would be treated like any other applicant. Only in his placement might special steps be taken.

Yet, some companies actually encourage the hiring of relatives. In general, they feel these relationships, particularly those of the father-son category, are desirable. Such factors as loyalty and interest in the company can be greatly enhanced where two members of the same family are on the pay roll.

Some companies' handbooks express this attitude:

"Over 200 father-and-son teams carry on the company tradition representing approximately 6,000 years of accumulated service with our company alone. This is a record of which we are justly proud, for it is the best proof that employees like to work here.

Table 2: Policies on the Employment of Relatives of Salaried Employees

Policy	Number of Companies by Size of Establishment					
	Total		Under 250	250 to 999	1,000 to 4,999	5,000 and Over
	No.	%				
Will employ husband or wife?						
Yes.....	202	62.4	21	75	65	41
No.....	108	33.3	34	52	15	7
No fixed policy.....	3	0.9	.....	.....	2	1
Not shown.....	11	3.4	5	3	3	...
Total.....	324	100.0	60	130	85	49
Will employ other relatives?						
Yes.....	254	78.4	36	100	73	45
No.....	49	15.1	18	22	6	3
No fixed policy.....	1	0.3	.....	.....	1	.....
Not shown.....	20	6.2	6	8	5	1
Total.....	324	100.0	60	130	85	49
Restrictions on employment of relatives, if hired						
No restrictions.....	99	39.0	21	38	25	15
Have restrictions.....	155	61.0	15	62	48	30
Total.....	254	100.0	36	100	73	45
Type of restriction ¹						
No employee placed under supervision of relative.....	133	....	10	52	42	29
No employee placed in same department as relative.....	110	....	10	43	38	19

¹Some companies have more than one type of restriction.

"We are proud of the sons, fathers, and grandfathers, mothers and daughters who have worked here and are working here. It is the policy of the company to give preferential consideration to an application received from a relative of an employee. An employee, by referring a relative or friend for employment, pays a compliment to our method of operation.

"Where any degree of direct supervision, administration, or leadership by a relative is involved, employment of relatives in the same department or elsewhere is not recommended. This is to minimize possible opportunity for criticism as to discrimination or favoritism. An employee may hesitate to make legitimate requests of a supervisor who is related, thinking that in granting the requests, the supervisor may be subject to criticism."

COMMUNITY PROBLEM

Acceptance of the principle of hiring relatives may also occur more frequently where the company or plant is located in a small community. Recent interviews with personnel directors in such companies lends support to this observation. Any policy opposing the hiring of relatives would cause considerable hardship, particularly in those communities where the company is the principal employer.

One executive describes his experience along these lines as follows:

"For a great many years our company has not consciously avoided the employment of relatives. On the contrary, in a good many cases, we have welcomed relatives of employees when they wished to join the company. We have found that it has been a wholesome thing to do. I think you should remember that our mills are located in rural areas, both in the North and in the South, and that there has been a natural tendency for residents in these areas to work in our company which happens to be in every case the largest employer in the area."

Another employer says in agreement:

"Our business has traditionally been a family type of operation. In by far the majority of instances, this has worked to the benefit of the industry rather than otherwise. This is certainly true as far as we are concerned. Consequently, although we do not consciously strive to create family relationships in our business, we certainly do not discourage this type of situation where it develops naturally. Our only policy is to avoid a direct supervisory relationship."

In companies that restrict the placement of relatives, a problem may arise after employment has begun. Namely, through marriage or promotion, a supervisory relationship may come about where none previously existed. What's to be done in such cases?

An informal survey of over twenty personnel directors seems to show that in such cases the policy must come first. As to how to handle a specific case such as this, a variety of answers is suggested. Transfer of one of the relatives appears to be the most common solution. Some typical comments follow:

"The employee who, because of transfer, promotion, or other action, ends up under the supervision of a relative is placed in another department as soon as a suitable transfer can be arranged."

* * *

"When it happens that such a relationship occurs through marriage, the transfer of one of the employees is mandatory. This, of course, usually affects the person in the least responsible position."

* * *

"Whenever such situations are created by operation of the seniority rules, we think a reasonable period should be allowed to make the necessary transfers or adjustments."

When a company reviews such policies as its wage rates or vacation plans, there may be much to be said in favor of keeping in line with the practices of the majority. However, for a company setting up or reviewing its policy on relatives, the implications of the problem within the individual company and its community should be studied first. What works for the majority of companies may not be suitable. The

final policy adopted should be consistent with the personnel framework or climate in which the individual company operates. This reminder is emphasized by one executive who says, "I think the problem of relatives is one which must be decided by the individual company, dependent upon size, location, family control, and other factors which are of a specific nature to every type of company."

SAMPLE STATEMENTS

For the interest of Associates who inquire as to the specific phrasing of company policy on relatives, two representative samples are reproduced below. In the first company, the hiring of relatives is prohibited. In the second, it is permitted with certain restrictions.

Company A

"It is our firm conviction that employees should progress with the company solely as a result of demonstrated performance and qualifications. The policy on relatives was established to eliminate the possibility of favorable influence as the result of any family relationships in the local division. Even though no such influence exists, this situation often has an adverse effect on employee morale. We recognize that many of our employees have relatives who are well qualified for work with the company. Our policy does not prohibit their consideration by other divisions or units of our company.

"The above policy does not apply to the relative who is a student and when the purpose of employment is to provide financial assistance in the pursuit of an education: this type of employment shall be limited to the summer months or not longer than from June 1 to October 1. Such employment provides valuable job experience to the student and may be helpful in making it easier for him to secure a permanent position elsewhere and, at the same time, it provides a valuable reference in case the student desires permanent employment in another division of the company."

Company B

"The company has endeavored to follow the policy of employing relatives in separate departments or divisions so that no relative comes under the general direction or supervision of another relative. Through this policy the company has recognized that employment and promotion depend on individual merit and ability.

"It is contrary to company policy to employ relatives of officers or executives, or of directors who are active in the management of the company.

"It may happen that relatives originally employed in separate departments advance to jobs where a supervisory relationship will exist. It is not the intention of management to cause undue hardship on any individual by prohibiting such promotions but it is expected that good judgment will be used at all times so that there can be no charge of favoritism."

JOHN J. SPEED

Division of Personnel Administration

Trends in Employee Benefit Plans

Holding Employees Until Shutdown Day

When employees hear that they will soon lose their jobs because the plant is going to close, their reaction will be to find another job as soon as possible. How can management hold on to employees until their services are no longer required?

A company which is closing one of its plants permanently is giving termination pay to its employees if they stay on the job until the company dismisses them. The amount of this termination pay depends on the employee's length of service and age. Those who have been with the company less than one year get one week's pay. The rest receive one week's pay for each full year's service. Fractions of a year are credited at the rate of one half day's pay for each full month's service to a maximum of one week's pay.

The older men get more as follows:

Age	Increase Over Basic Severance Pay
40 through 44.....	10%
45 through 49.....	20%
50 through 54.....	30%
55 through 59.....	40%
60 and over.....	50%

When the employee is dismissed he will receive a check equal to his regular pay each payday till termination and vacation allowances are exhausted.

Pension Plan for Salaried Employees

Salaried men and women of the Ford Motor Company, as well as union employees, are to be covered by a pension plan, according to an announcement made by Henry Ford, II. The basic pension at the retirement age of sixty-five will be the same as under the union-negotiated plan, viz., \$100 a month including the Social Security benefits, provided the employee has completed thirty years of service. Proportionately smaller pensions will be provided if the employee has less than thirty years of service. This basic pension is paid for entirely by the company.

In addition, there will be a supplementary plan on a contributory basis for all employees earning a base salary above a stated amount (tentatively set at \$3,600 a year). Employees may not participate in the supplementary plan until they have completed two years of service.

Employees participating in the present salary pension plan will not lose any credits when this plan is merged with the one just announced. The new plan will be made effective March 1, 1950, but employees who have retired since July 16, 1949, will be entitled

to the basic benefit starting April 1, 1950, provided they would have been eligible had the plan been in effect at the time of their retirement.

Profit Sharing Pays Off

Approximately \$3 million was distributed to Lincoln Electric employees in 1949 under the company's profit-sharing plan. The average incentive wage check amounted to \$2,929, which brought the total earnings of the average worker for 1949 to \$6,078. Checks ranged from \$25,000 for top managerial and engineering talent to \$200 for short-time employees. There were 1,026 participants in the plan. Distributions have been made for the past sixteen years.

Stock Purchase Plan Explained

An attractive book explains to the employees of the Minnesota Mining and Manufacturing Company how they can purchase its common stock through installment payments. On the left-hand page of the booklet appears the company's figure, "Scotch Boy," a little man dressed in tartan, with a caption on one phase of the program, while on the right-hand page, the provision in question is explained. For example, the caption on one page is "The most you can invest." The next page explains:

"You may invest any amount up to 10% of your total compensation during the period, January 1, 1947, to July 1, 1949. In other words, you may buy as few or as many shares as you wish, provided the total amount you invest does not exceed this 10% figure.

"You will receive from the company a summary of your aggregate compensation as determined from its pay roll records. Section 6 of the plan tells you what this includes."

The employee has the option of having the company buy the stock for him immediately, and pay for it through pay-roll deductions, or he may accumulate the money first for purchase at a later date. Under either method, the employee, if he wishes, may reduce the amount of deductions, suspend payments, or get a refund of any money which has not been applied to the purchase of stock. The employee has three years in which to complete his payments.

Once the employee receives his stock certificates, the company explains, "There are no strings attached . . . you may sell it, or transfer it to members of your family or to anyone else."

On the risks of stock ownership, the booklet states:

"It is a well-known fact that common stocks move up and down in price according to what people are willing to pay for them on the open market. Therefore, there may be times when the market price is less than the price at which you bought your stock. All our present stockholders have taken this risk.

"However, no stock will be delivered to employees if the purchase price determined under the plan is less than \$58 a share. If you are participating under Plan B (accumulation of amount in advance of purchase) you will then be refunded any accumulated amount that has not been applied to buy shares, plus interest."

Arbitrator Awards Pensions

Another arbitrator has recommended a pension plan in lieu of a wage increase. The United Textile Workers, CIO, demanded pensions of \$75 a month and a 15-cent wage increase from the Fellers Company, a manufacturer of woolen pressed felts. The arbitrator believed that any change in the wage structure would preserve and perhaps augment inequities in the company's wage structure as compared with the rates of competing companies. He recommended, however, that the company negotiate with the union to extend its informal pension plan, which provides for benefits of from \$5 to \$8 a week, on a nondiscriminatory basis. He also recommended that the union and the company study the adoption of a

permanent pension plan. He ruled, however, that the plan was not to be adopted until the principal competitors of the company signified their intention of putting similar pension plans in operation.

\$100 Pensions for du Pont Employees

The E. I. du Pont de Nemours and Company, Wilmington, Delaware, on December 22 announced a liberalization of its pension plan, which has been in force since 1904. A minimum pension of \$100 a month, including Social Security benefits, will be paid to employees who have had twenty-five years of service and have reached sixty-five years of age. The revised plan will go into effect May 1, 1950, if approved by the stockholders. At that time, the pensions for employees now on the pension roll will be recomputed. The pension formula under the present plan is 1% of pay averaged over the last ten years before retirement, multiplied by years of continuous service. From this is deducted half of the Social Security benefit.

Company officials have been studying revisions in its pension plan for four years. Unions were consulted as to the different proposals, but the plan is not part of the union agreements.

F. BEATRICE BROWER
Division of Personnel Administration

Human Relations at Work

The Little "Why" That Wasn't There

JOE WILKINS and Pete Brown were standing near the polishing department's bulletin board. After reading a newly posted memo, Pete turned and said, "What do you make of this, Joe? It says here: 'All Time Cards Punched After 8:05 A.M., Instead Of 8:15 A.M. As Before, Will Be Considered Lates And Subject To Disciplinary Action.'"

"Yeh, Pete, I don't get it."

"I guess they're starting to turn the screws a little tighter now. The old ax is being sharpened. You know, Joe, I passed the employment office yesterday and there must have been fifty guys in there applying for jobs. Hell, it used to be that no one really cared if we were a little late once in a while."

"That's right," said Joe, with a worried look on his face, "I guess everybody's getting the bite. This morning Old Gus, my foreman, didn't ask how my kids were feeling even though he let me off early yesterday to drive them to the doctor. I guess the boss is on his tail, too."

"Back to work, slave," said Pete jokingly, "and watch your step from now on."

Joe Wilkins returned to his polishing machine. As he adjusted his safety glasses he thought, I guess I was getting in a little late this past week. But there were good reasons. First the wife was sick and somebody had to get the kids off to school. Then it was the kids. I didn't think anyone was upset about my coming in late a few times. They never said anything to me about it. But maybe I'd better watch my step from now on. They probably got an eye on me.

Joe glanced up as he heard an approaching step. Old Gus. He doesn't look too happy. Bet he's going to burn me for those latenesses.

"Say, Joe," said Gus, "that last batch of wheels you finished on Wednesday was a little late getting over to the shipping department. How come?"

Joe turned off the switch on his machine. This is it, he thought. He's leading up to something. That

late shipment couldn't be helped. I guess Gus just wants an opening to eat me out for coming in late.

"That wasn't my fault, Gus. Jerry, over in grinding, didn't deliver those wheels until after three o'clock."

"OK, Joe, but we've all got to try and meet our schedules a little more promptly. The sales boys say it's tougher peddling our stuff now."

Not like Old Gus, Joe thought, as the foreman walked away. Why didn't he come right out and say it; a few more latenesses and I'm through. There goes my merit rating right into the ash can. And me with all those doctor bills to pay. I wish Pete hadn't

told me about all those guys in the employment office. I guess I'm on the black list now.

* * *

Later, the plant manager, Mr. Johnson, was sitting at his desk talking to Gus, the foreman.

"Gus, did you tell all the boys in your department about getting in a little earlier in the morning?"

"Yes, Mr. Johnson, I put up a notice so that all the boys would be sure to get the word."

"Well, that's fine. As I was telling you last week, the only reason for the change is the shipping department's pickup truck now leaves ten minutes earlier to meet the new morning train schedule." J. J. S.

The Handicapped Work in Steel

HANDICAPPED persons can work as well as able-bodied workers if they are carefully placed, according to the Columbia Steel Company¹ in California. The company points out that it has three arm amputees and five employees with leg amputations. Four have lost the sight of one eye. In addition, 127 of its employees have service-connected disability ratings of 10% or more. All of them are handling responsible jobs in production, clerical and supervisory work.

The rehabilitation program was started during World War II to help handicapped veterans find suitable employment in the steel industry. Later it was extended to include nonveterans.

JOBS ARE ANALYZED

Job analysis was the first step in the program. The employment service divisions at the Pittsburg, California, and Torrance plants made a careful and detailed study of each occupation to determine its physical requirements and conditions of work. This information was needed to classify positions that would be suitable for persons with different types and degrees of disabilities. It showed, for example, the types of jobs that could be performed satisfactorily by the hard of hearing, by persons with arm or leg amputations, or by those who have lost the sight of an eye.

SELECTIVE PLACEMENT THE RULE

Selective placement followed job analysis. This procedure involves a study of the individual's experience, aptitudes and skills, and an evaluation of his physical capacities and limitations so that they can be matched with the physical demands of the job. The plan gives the worker an opportunity to use his highest skills efficiently and effectively without endangering himself

or his co-workers. Special training is available for those who need it.

The selection and training of handicapped employees is handled jointly by the personnel, medical, training and safety departments. The handicapped receive no special consideration since they are placed on jobs they can do as well as, or better than their able-bodied co-workers. It has been noted, however, that many of them are superior workers, probably because they make a determined effort to prove to themselves and the company that they are fully capable of handling their jobs satisfactorily and safely.

Handicapped persons have every opportunity for advancement if they are able to assume increased responsibilities. One Pittsburg veteran with an arm amputation who started as a clerk in the open hearth division was recently promoted to departmental chief clerk. In connection with the original placement and upgrading of disabled veterans, the company gives recognition to the part played by the membership of United Steelworkers of America, CIO, Local 1440, who in many cases permitted the lines of seniority to be waived in the placement of disabled veterans.

Since comparatively few of the company's veterans were disabled, plant representatives publicized the plan by visiting veterans' hospitals. They informed the handicapped about the program for employing persons with handicaps and described the types of jobs that were available for them in steel mills. As a result, many of these veterans are now employed in the company's California plants.

On July 29, 1948, the Columbia Steel Company was presented with the American Legion "Certificate of Appreciation" for its outstanding record in employing handicapped veterans.

ETHEL M. SPEARS

Division of Personnel Administration

¹United States Steel Corporation subsidiary.

Trends in Labor Relations

Can UAW Extend Ford Pension to Small Firms?

Of increasing concern to small manufacturers holding UAW-CIO contracts is this question: Will the union try to secure from them the same type of pension plan they secured at Ford?

One small Detroit manufacturer writes that since June, 1949, he has been working on a verbal extension of his 1948 UAW-CIO agreement. He says that UAW-CIO officials have not approached him as yet to sign for a pension plan. This he ascribes to two causes: The union has a large number of smaller firms under contracts, but only a limited number of negotiators qualified to bargain on pensions; and union officials are having difficulty in suiting the Ford pension settlement to a pattern that can be uniformly applied to other firms.

He points to his firm as an example of the type of difficulty that the UAW will run up against in trying to establish the Ford pension settlement as a pattern: 80% of the work force is composed of women, many of whom are well advanced in years. He reports that his firm's investigation of the cost of a pension plan indicates that a Ford-type settlement would run "substantially more per hour than even the most optimistic union negotiator would expect to get."

The Detroit manufacturer sees a possible alternative union demand. He says that his conversation with rank-and-file employees and lower-echelon union leaders indicates that they are not thoroughly sold on the value of a pension plan against an increase in hourly rates.

Implementing a Layoff Clause

Recently a midwestern manufacturer and officials of the International Association of Machinists adopted this sliding scale for retaining a worker's name on the seniority list during layoff:

Length of Service	Retained on Seniority List During Layoffs
Up to 3 years.....	6 months
Over 3 up to 5 years.....	14 months
Over 5 up to 8 years.....	22 months
Over 8 up to 12 years.....	30 months
Over 12 up to 17 years.....	38 months
Over 17 years.....	60 months

"In the event that an employee who has been laid off is recalled to work within three years from the date that his name was removed from the seniority list, the employee's name will again be placed on the seniority list, in his relative position to be determined by the seniority which he had accrued before layoff."

The manufacturer sends an explanatory letter to all

employees who are laid off. To one employee who had been laid off for a few months, he explained to the man why he would shortly be taken off the seniority rolls as follows:

"Therefore, thirty days from date of this letter, your name will be removed from occupying a position on our active seniority list. However, as stated in the above clause, if you are recalled within three years from the date your name was removed from this seniority list, you will be again placed on the seniority list and your relative position determined by the seniority gained by your previous employment with us.

"It should be noted, however, when your name is removed from the active seniority list, there exists no responsibility upon us to rehire. However, if your skill, ability, etc., were satisfactory when you were originally employed, there should be no reason for not giving you consideration for rehire and crediting your seniority position with the time you accrued before layoff."

Marquis of Queensbury Rules for Strikes

Experienced negotiators in continuous-process industries generally insist on clauses giving "Marquis of Queensbury" rules for going out on strike. Such clauses specify, for instance, that perishable work shall be finished through the manufacturing process. Others provide that vitally necessary maintenance and plant protection workers shall be permitted to cross picket lines. The reason for this type of clause is obvious. The union's membership does not want to win a strike only to discover that work cannot be resumed because the machines on which they work were destroyed or damaged through lack of maintenance during the strike period.

Strike Rules Clauses

Work in process must be finished under a contract between an eastern manufacturer and an AFL union.

"The union recognizes that the company is engaged in a business involving a process in which stoppage of work while materials are in process will involve a serious and irreparable loss to the company, not only of the materials in process, but of the machinery and equipment which are used in the process.

"It is agreed that continuity of operations and completion of work on all perishable materials in transit, on hand, or started in the manufacturing or in process, is to be the first consideration of both parties. Because of the perishable nature of glue-stock materials that may be in transit, on hand, or in process and because of the laws and requirements of the State of Pennsylvania and the City of Philadelphia Department of Heath, the union agrees that in

the event of a strike at the company's plant, the union shall provide employees to work through the manufacturing process of said perishable glue-stock during any such strike."

"Employees required to keep the plant in shape and protect it shall remain at work," according to a western mine company's contract with the CIO Mine, Mill and Smelter Workers Union. The full clause reads:

"Protection of Property: In the case of suspension of work due to a strike, the employees required to keep the plant in shape and protect it shall remain at work. Hoistmen shall raise and lower those men needed to operate pumps and to make emergency repairs to shafts or underground machinery but shall not be required to hoist ore.

"Men covered by this agreement who are to be retained shall be agreed upon prior to suspension of work. The rates to be paid for such work are to be those in force at the time."

Continuation of work by members of the International Association of Machinists during a strike called by other unions is guaranteed in this clause:

"For the duration of this agreement, the union agrees that there shall be no strike, concerted slowdown, or stoppage of work, and the company agrees that it will not cause or engage in any lockout. Should any controversy occur between the company and employees other than those covered by this agreement, which results or threatens to result in a strike, work stoppage, curtailment or interference with production, the employees covered by this agreement will not participate in such strike, work stoppage, curtailment or interference with production, but will continue to report for duty, remain at their posts and discharge fully their duties." (*Contract between a western manufacturer and the International Association of Machinists, independent.*)

Procedure for Emergency Grievances

"Our grievance procedure is a good idea and assures us justice in the long run," said butcher-worker Al New to industrial relations director Jack Lloyd. "But what if I have a grievance that must be settled right away, one that will cause me and my family to suffer if I wait for the procedure to slowly unwind itself?"

To meet such a situation, a midwestern meat packer has included in his agreement with the AFL Amalgamated Meat Cutters and Butcher Workmen this clause:

"Emergency Grievances: Any employee having an emergency grievance that he feels cannot be held until the regular grievance meeting may contact the foreman, or—upon notifying the foreman—may contact the union representative. Only those grievances which involve immediate financial loss to the employee (such as grievances concerning allegedly improper layoffs, or discharges)

shall be considered as emergency grievances. The union representative, after notifying his foreman, may contact by phone the general plant superintendent or his representative. The general plant superintendent or his representative will investigate the grievance involved immediately, and if the grievance cannot be settled between the aggrieved employee, the union representative and the general plant superintendent or his representative—this settlement not to be made on the floor of the department, but in the nearest suitable private location—the union representative may immediately contact the chairman of the grievance committee by phone. Upon request of the chairman of the grievance committee, the general plant superintendent will then arrange an emergency second step meeting without delay (for discussion of the specific emergency grievance exclusively) between himself, or his representative, and members of the grievance committee as designated by the union. Emergency grievances submitted in such second step meetings shall be in writing."

Negotiating a Contract Downward

"You can always negotiate a contract's benefits upward, never down" is practically a truism to the labor relations man. An exception to this generalization occurred recently when the benefit section of a New England textile manufacturer's contract was revised downward as follows:

Accident and sickness payments were formerly \$21 a week; now \$18 per week.

The surgical maximum was formerly \$150; now \$125.

Employer-paid life insurance was formerly \$750; it is now \$500. An additional \$500 is optional with equal payments by employer and employee.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Personnel Brief

Learning to Climb

An intensive, six-week training program for new linemen of the Philadelphia Electric Company proves that the job of the telephone lineman is not as easy or as glamorous as it sometimes appears to be.

Applicants must meet exacting requirements, including a high mark on a mechanical aptitude test. The field training begins with instruction in digging pole holes, setting poles, and in performing other tasks incidental to the job. During the second week the trainee erects and climbs 15-foot poles. He graduates to the standard, 45-foot pole the following week.

It has been the company's experience that about 80% of a well-selected group of trainees will complete the training period successfully.

SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1949							Year Ago	Percentage Change	
		Nov.	Oct.	Sept.	August	July	June	May		Latest Month over Previous Month ¹	Latest Month over Year Previous
Clerical salary rates²											
Office boy (or girl).....	median in dollars	.....	.....	.....	.....	.....	.....	a 32	.....	.....
Receptionist.....	median in dollars	.....	.....	.....	.....	.....	.....	a 44	.....	.....
Telephone switchboard operator.....	median in dollars	.....	.....	.....	.....	.....	.....	a 46	.....	.....
File clerk.....	median in dollars	.....	.....	.....	.....	.....	.....	a 36	.....	.....
Junior copy typist.....	median in dollars	.....	.....	.....	.....	.....	.....	a 36	.....	.....
Senior copy typist.....	median in dollars	.....	.....	.....	.....	.....	.....	a 43	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	.....	.....	a 38	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	.....	.....	a 44	.....	.....
Stenographer.....	median in dollars	.....	.....	.....	.....	.....	.....	a 46	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	.....	.....	.....	.....	.....	a 41	.....	.....
Billing machine operator.....	median in dollars	.....	.....	.....	.....	.....	.....	a 43	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	.....	.....	.....	.....	.....	a 45	.....	.....
Key punch operator.....	median in dollars	.....	.....	.....	.....	.....	.....	a 41	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	204.1	204.0	209.6	208.2	207.8	209.0	208.2	214.1	0	-4.7
Housing.....	Jan. 1939=100	113.6	113.6	112.7	112.7	112.7	112.3	112.3	111.2	0	+2.2
Clothing.....	Jan. 1939=100	143.8	144.0	144.1	144.0	144.8	145.8	147.8	156.0	-0.1	-7.8
Men's.....	Jan. 1939=100	156.4	156.5	156.6	157.3	157.8	159.0	160.7	167.4	-0.1	-6.6
Women's.....	Jan. 1939=100	133.2	133.3	133.5	132.8	133.9	134.6	136.9	146.4	-0.1	-9.0
Fuels.....	Jan. 1939=100	129.5 r	128.8 r	128.0	127.1 r	126.9 r	127.0 r	126.8 r	126.9	+0.5	+2.0
Electricity.....	Jan. 1939=100	92.4	92.3	92.3	91.9	92.0	92.0	91.9	90.3	+0.1	+2.3
Gas.....	Jan. 1939=100	102.0	101.9 r	101.8	101.9	101.8 r	101.9 r	101.8 r	95.4	+0.1	+6.9
Housefurnishings.....	Jan. 1939=100	147.2	147.4	147.6	148.0	148.7	150.4	151.8	157.9	-0.1	-6.8
Sundries.....	Jan. 1939=100	154.6	154.5	154.6	154.3	154.1	154.1	153.9	151.9	+0.1	+1.8
All items.....	Jan. 1939=100	160.3 r	160.2 r	161.9 r	161.3 r	161.2 r	161.7 r	161.6	163.8	+0.1	-2.1
Purchasing value of dollar.....	Jan. 1939 dollars	62.4 r	62.4	61.8	62.0	62.0	61.8	61.9	61.1	0	+2.1
All items (BLS).....	1935-1939=100	168.5	168.5	169.6	168.8	168.5	169.6	169.2	173.6	-0.6	-2.9
Strikes (BLS)											
Beginning in period.....	number	.....	p 250	p 275	375	300	375	450	256	-9.1	-2.3
Workers involved.....	thousands	.....	p 600	p 510	150	110	575	250	110	+17.6	+445.5
Total man days idle.....	thousands	.....	p 19,300	p 6,350	2,000	2,100	4,600	3,200	2,060	+203.9	+836.9
Turnover rates in manufacturing (BLS)											
Separations.....	per 100 employees	.....	p 4.0	4.2	4.0	3.8	4.3	5.2	4.5	-4.8	-11.1
Quits.....	per 100 employees	.....	p 1.4	2.1	1.8	1.4	1.5	1.6	2.8	-33.3	-50.0
Miscellaneous.....	per 100 employees	.....	p .1	.1	.1	.1	.1	.1	.1	0	0
Discharges.....	per 100 employees	.....	p .2	.2	.3	.2	.2	.2	.4	0	-50.0
Layoffs.....	per 100 employees	.....	p 2.3	1.8	1.8	2.1	2.5	3.3	1.2	+27.8	+91.7
Accessions.....	per 100 employees	.....	p 3.6	4.1	4.4	3.5	4.4	3.5	4.5	-12.2	-20.0
Wage Earners											
All manufacturing industries (BLS)³											
Earnings, hourly.....	average in dollars	p 1.389	1.392	1.407 r	1.399	1.408	1.405	1.401	1.397	-0.2	-0.6
weekly.....	average in dollars	p 54.45	55.26	55.72 r	54.70	54.63	54.51	54.08	55.60	-1.5	-2.1
Hours per production worker.....	average per week	p 39.2	39.7	39.6	39.1	38.8	38.8	38.6	39.8	-1.3	-1.5
Employment.....	1939 average=100	.....	138.9 r	143.7	141.1	136.9	138.4	138.2	157.6	-3.3	-11.9
Payrolls.....	1939 average=100	.....	321.3 r	335.0 r	323.0 r	312.8 r	315.7	312.8	366.7	-4.1	-12.4
Durable goods (BLS)³											
Earnings, hourly.....	average in dollars	p 1.454	1.458 r	1.482 r	1.473	1.477	1.475	1.467	1.463	-0.3	-0.6
weekly.....	average in dollars	p 56.85	58.03 r	58.84 r	57.89	57.31	57.82	57.21	59.11	-2.0	-3.8
Hours per production worker.....	average per week	p 39.1	39.8	39.7 r	39.3	38.8	39.2	39.0	40.4	-1.8	-3.2
Employment.....	thousands	p 5,683	5,676 r	6,062	5,948	5,894	6,021	6,057	6,942	+0.1	-18.1
Nondurable goods (BLS)³											
Earnings, hourly.....	average in dollars	p 1.321	1.326	1.328	1.319	1.332	1.324	1.323	1.317	-0.4	+0.3
weekly.....	average in dollars	p 51.78	52.51 r	52.59	51.31	51.55	50.97	50.41	51.63	-1.4	+0.3
Hours per production worker.....	average per week	p 39.2	39.6 r	39.6	38.9	38.7	38.5	38.1	39.2	-1.0	0
Employment.....	thousands	p 5,532	5,706 r	5,708	5,613	5,317	5,314	5,267	5,833	-3.0	-5.2
Class I railroads⁴											
Earnings, hourly.....	average in dollars	.....	.....	.....	1.429	1.442	1.427	1.441	1.342	-0.9	+6.5
weekly.....	average in dollars	.....	.....	.....	71.63	69.20	70.21	68.38	66.88	+3.5	+7.1
"Real" weekly earnings.....	1923=100	.....	.....	.....	177.7 r	171.8 r	173.8	169.4	160.7	+3.4	+10.6
Hours per wage earner.....	average per week	.....	.....	.....	44.2	48.0	49.2	47.5	49.8	-7.9	-11.2
Agricultural wage rates (BAE)											
With board and room, per month.....	average in dollars	.....	99.00	.....	.....	102.00	.....	.....	104.00	-2.9	-4.8
With house, per month.....	average in dollars	.....	122.00	.....	.....	130.00	.....	.....	126.00	-6.2	-3.2
Composite rate per hour.....	average in dollars	.....	.59	.....	.....	.56	.....	.....	.62	+5.4	-4.8

¹Changes in Agricultural Wage Rates are quarterly.
²Based on reports from 20 cities.

³Revised series
⁴Derived from Interstate Commerce Commission reports.

aApril, 1949

pPreliminary.
rRevised.

Labor Press Highlights

CIO Looks at Its Finances

TOTAL financial resources of the CIO amount to \$1,480,313.07 for the year ending September 30, 1949—"about 25 cents for each CIO member"—according to *The CIO News*. The financial audit was made public for the first time last month as the national CIO came into compliance with the Taft-Hartley Act. Largest source of income was the per capita tax from national unions and organizing committees: \$3,540,815.40. Biggest drain was operation of the national headquarters, regional and field offices, which cost over \$2 million. Salaries, travel expenses and subsidies for international unions and organizing committees received better than half a million dollars.

In line with the CIO's display of its financial ledger is a report recently issued by the CIO's department of education and research, titled, "The CIO: What It Is and What It Does." In a table on "Financial Practices of CIO Unions," the report gives data on salaries, initiation fees, dues, and assessments in all unions affiliated with the CIO. (Part of the table is given on page 21.) Philip Murray is the highest paid CIO union official on the list. As president of the CIO and the Steelworkers, he receives \$25,000. Textile Workers' president Emil Rieve is reportedly paid \$16,000; Jacob Potofsky of the Clothing Workers gets \$15,000. Walter Reuther, UAW president, is listed as receiving \$10,000.

Initiation fees range from \$1 to \$50—with most unions falling in the \$2 to \$10 group; and dues for most local union members, according to the report, are \$2 or less per month.

Textile Workers Demand Pensions in Rug Industry

Pensions and a wage increase are being sought by the CIO Textile Workers Union for 25,000 members in the carpet and rug industry, reports *Textile Labor* (TWUA, CIO). The union is acting under a wage reopening clause inserted in its contract last June. According to the union, the small number of companies in the rug industry—"all of them stable and well established"—offer an easier field for pensions than most other textile divisions.

Left-Right Shift in CIO Membership Grows

Shuffles within the CIO continue as a result of the union's anti-Communist action at the convention. *The CIO News* reports that the United Paperworkers have issued a charter to employees of R. L. Polk Company in Detroit. The unit was formerly represented by Local 26 of the United Office and Professional Workers of America. The Tractor Workers of International Harvester's Chicago plant, formerly represented by the expelled Farm Equipment Workers, have voted to affiliate with the UAW. Also re-

ported is a UAW claim that 80% of the FE's estimated 35,000 members have already acted to affiliate with the UAW.

A split has occurred within the United Furniture Workers, one of the unions being tried by the CIO for supporting Communist party activities. Morris Pizer, UFW president and "long supporter of the leftist majority on the UFW executive board," according to *The News*, has declared he will seek to stay in the CIO, and will fight anyone within the union who advocates continued defiance of the CIO policy.

IUE-CIO Gets Official Paper

The IUE-CIO News makes its first appearance as official organ of the new CIO International Union of Electrical, Radio and Machine Workers of America. It will be published biweekly as a special edition of *The CIO News*. The editor is Arthur Riordan, Walker Building, 734 15th Street, N.W., Washington 5, D. C.

AFL Transit Union Wants Contributory Pensions

"Why all the hullabaloo for noncontributory pensions?" asks a Chicago division of the AFL Street, Electric Railway and Motor Coach Employees Union. According to the *AFL Weekly News Service*, the division has had a noncontributory pension plan with the Chicago Motor Coach Company and is now seeking to replace it with a contributory plan. The division's president, Robert Lamping, is quoted as saying: "We have had free pensions, and we would rather have the kind that workers help pay for. For one thing, it's permanent. Free pensions are something the employer can take away if there's a change in management or if anything happens to the union. And the union has nothing to say about its administration. A contributory pension, jointly administered, gives the worker a bigger voice and it helps him to keep track of his rights. Then, when the pension comes due, it is a bigger one because he has helped pay for it."

New World Labor Body Is Born

Representing fifty million workers in forty-five democratic lands, the new International Federation of Free Trade Unions was launched last month, reports *Labor* (AFL and independent railroad unions). Both the CIO and the AFL belong to the new federation which will oppose the Communist-controlled World Federation of Trade Unions. According to *Labor*, Soviet attacks on the new federation as a "tool of American imperialism" and an instrument of the "Tito clique" amount to "recognition by the 'Reds' of the power and influence of the new federation."

HAROLD STIEGLITZ
Division of Personnel Administration

FINANCIAL PRACTICES OF CIO UNIONS (As reported by the CIO)

Name of Union	Annual Salary of Highest Paid Officer	Initiation Fee	Monthly Dues	Portion of Dues Going to International Union (Per Capita Tax)	How Does International Levy Special Financial Assessment?	How Does International Report on Receipts and Expenditures to Membership?
Automobile Workers.....	\$10,000	\$2 to \$15	\$1.50	65¢	Ex. bd. may levy \$1 yearly. Referendum may vote more	Semiannual report to locals
Barbers and Beauty Culturists.....	\$5,200	\$3 to \$25	\$1 to \$4	65¢	Membership referendum	Semiannual report to locals
Brewery Workers.....	\$8,500	\$25 maximum	\$2.50 average	83 1/3¢	Ex. bd. when strike fund less than \$100,000	Annual report to locals
Clothing Workers, Amalgamated.....	\$15,000	\$10 maximum	Set by locals, most \$2 to \$3	85¢	Ex. bd. with membership referendum	C.P.A. annual report
Communications Association.....	\$4,680	\$1 to \$20 ¹	\$1 to \$4 ¹	45% of dues maximum	Membership referendum	Published in union journal
Communications Workers of America.....	\$13,200	\$2 ²	Set by locals, average \$2	50¢	Membership referendum	Monthly to divs. and locals, also at conventions
Electrical, Radio and Machine Workers.... [Now expelled]	\$7,500	\$2 minimum, rarely more	\$1.50 minimum, rarely more	50¢	Convention or membership ref.	Monthly report to locals
Farm Equipment and Metal Workers..... [Now expelled]	\$5,000	\$2 to \$15	\$1.50 to \$3	75¢	Convention action	Annual report to locals
Fishermen and Allied Workers.....	\$5,500	\$10 maximum	Set by locals, most \$1-\$2.50	25¢	Membership referendum	At conventions
Food, Tobacco and Agricultural Workers..	\$6,000	\$5 in union shop; \$2 elsewhere	\$1.50 minimum	75¢	Convention or membership ref.	Semiannual report to executive board
Fur and Leather Workers.....	\$7,020	\$1 and up, as set by locals	\$1.00 minimum	55¢	Convention, subject to approval of locals	C.P.A. semiannual report
Furniture Workers.....	\$7,800	\$2 minimum, set by locals	\$1.50 minimum	60¢	Membership referendum	Quarterly report to locals
Gas, Coke and Chemical Workers.....	\$5,880	\$2 to \$5, may be waived	\$1.50	75¢	Not permitted	Semiannually to members
Glass, Ceramic and Silica Sand Workers...	\$6,100	\$2	1% of earnings	40% of dues	Membership referendum	Monthly report to locals
Lithographers.....	\$9,100	Gen. wkrs. \$1.50-\$3 Skld. wkrs. \$10-\$30 ³	Gen. wkrs. \$1.50-\$3 Skld. wkrs. \$4 to \$7 ³	Gen. wkrs. \$1.50 Skld. wkrs. \$1.50	Membership referendum	Quarterly report to locals
Longshoremen and Warehousemen.....	\$7,800	\$10 maximum	Set by locals	65¢	Membership referendum	Quarterly audit sent to locals
Marine Cooks and Stewards.....	\$4,840	\$32 ³	\$2	(¹)	Not permitted	At general council and weekly branch meetings
Marine Engineers' Beneficial Association..	\$8,405	\$50	\$2	37 1/2¢	None	At conventions
Marine and Shipbuilding Workers.....	\$8,000	\$2 to \$10	\$1.25 to \$2	65¢	Executive board	Annually in union journal
Maritime Union.....	\$7,800	\$25 ³	\$3.35 ³	No locals	Membership referendum	Monthly, in union press
Mine, Mill and Smelter Workers.....	\$6,000	\$2 to \$10	\$1 to \$5, most pay \$2	80¢	Ex. bd. may levy \$1 yearly for emergency	Monthly report to locals
Newspaper Guild.....	\$8,482	\$1 to \$10	\$1.50 to \$10 ¹	\$1 and \$1.75	Convention and executive board	C.P.A. quarterly and annual reports
Office and Professional Workers.....	\$5,200	\$2	\$2.00 to \$3.50	65¢	Ex. bd. may levy \$2, otherwise by convention or ref.	Semiannual report to locals
Oil Workers.....	\$9,100	\$2.50 to \$25	\$2.50 to \$3	\$1.25	Membership referendum	Monthly report to locals
Optical and Instrument Workers.....	\$7,800	\$2 minimum	\$1.50 minimum	75¢	No provision	Semiannually to locals
Packinghouse Workers.....	\$7,000	\$2	Average \$2	75¢	Convention action	Annual report
Paperworkers.....	\$5,000	\$2 to \$10	\$1.50 to \$2.50	75¢	No provision	Published annually in own journal
Playthings, Jewelry and Novelty Workers.	\$5,200	\$2 to \$10, 90% of locals charge \$2	\$1.50 to \$2	75¢	Convention or executive board with membership ref.	Semiannual audit sent to locals
Public Workers of America.....	\$6,000	\$1 to \$5, usually \$1	\$1.50	75¢	Not permitted	Semiannual audit sent to members
Radio Association.....	\$5,720	\$50	\$5	No locals	Referendum vote	Monthly report
Retail, Wholesale and Dept. Store Employees	\$12,500	\$10 maximum, average \$3	\$1 to \$5	60¢	Convention action	Annually in union journal
Rubber Workers.....	\$6,700	\$2	\$1.50-\$3	70¢	2/3 vote in membership referendum	Quarterly audit sent to locals
Shoeworkers.....	\$6,500	\$2	\$2 average	85¢	Executive board	Quarterly report to locals
Steelworkers.....	\$25,000	\$3	\$2	\$1	Ex. bd. with membership ref. Max. \$2 a year	C.P.A. report to locals
Stone and Allied Products Workers.....	\$3,600	\$5 ²	\$1.25 ²	75¢	2/3 vote in membership referendum	Annual report to local officers
Textile Workers Union.....	\$16,000	\$1 to \$10 ²	\$2 average	\$1	Ex. bd. with membership referendum	Annually in union journal
Transport Service Employees.....	\$5,200	\$5	\$2	\$1	2/3 vote of all locals	Quarterly report to locals
Transport Workers Union.....	\$7,800	\$3	\$1.75	75¢	Membership referendum	Semiannual report to locals
Utility Workers.....	\$6,500	\$2 to \$10, usually \$2	\$1 to \$1.50 ²	50¢	Not permitted	Annual report at conventions and in union journal
Woodworkers.....	\$6,500	\$10 maximum ²	\$1 minimum	75¢	Membership referendum	Quarterly report to locals

¹Depends on earnings.

²International may reduce fee for new locals or eliminate it.

³Helps cover death or other benefits.

⁴All funds held and accounted for by the International.

⁵A few locals charge up to \$2 with permission of International.

⁶In exceptional cases, local may be allowed to charge more

Employment Falls Again in November

SECONDARY effects of the coal and steel strikes and seasonal declines in several manufacturing industries brought about a further drop in production-worker employment in November. The total in manufacturing industries was 11,215,000 as against 11,382,000 workers in October—a near low for the year because of major labor deadlocks.

In the latest Bureau of Labor Statistics survey, durable goods industries showed a definite recovery from strike activities in October, although the level remained considerably lower than in mid-September. Resumption of steel production lifted primary metal employment 27% over the month. The total was still 371,000 workers or 34% short of the November, 1948, employment level. Only two other hard goods industries reported a predominance of accessions between October and November, with 2,000 workers added to both the electrical machinery and the stone, clay and glass industries' pay rolls.

The manufacture of transportation equipment was seriously curtailed by the shortage of steel supplies in November. Production declined 13%, according to the Federal Reserve Board, while the Bureau of Labor Statistics' employment estimates showed a

drop of 10.5%. Automobile plants were particularly affected. Mass layoffs started early in November, as steel stockpiles became depleted. Workers in fabricated metals were also laid off, but on a smaller scale.

Seasonal factors played an important role in the nondurable goods employment pattern, with food

Number of Production Workers in Durable and Nondurable Goods Industries

Source: Bureau of Labor Statistics
In Millions

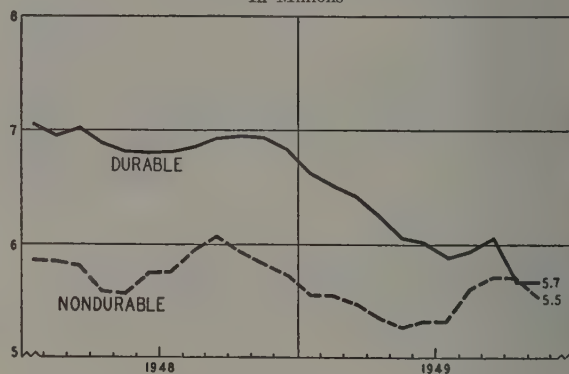


TABLE 1: HOURS AND GROSS EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS
IN MANUFACTURING INDUSTRIES, NOVEMBER, 1949

Source: Bureau of Labor Statistics

Industry Group ¹	Average Weekly Earnings ² (In Dollars)			Average Weekly Hours ²			Average Hourly Earnings ² (In Dollars)		
	Nov., 1949p	Oct., 1949	Nov., 1948	Nov., 1949p	Oct., 1949	Nov., 1948	Nov., 1949p	Oct., 1949	Nov., 1948
ALL MANUFACTURING	54.45	55.26	55.60	39.2	39.7	39.8	1.389	1.392	1.397
Durable goods.....	56.85	58.03	59.11	39.1	39.8	40.4	1.454	1.458	1.463
Electrical machinery.....	56.95	58.01	57.91	39.8	40.4	40.3	1.431	1.436	1.437
Fabricated metal products (exc. ord., mach. and trans. equip.)..	56.73	58.25	59.10	39.1	39.9	40.7	1.451	1.460	1.452
Furniture and fixtures.....	50.26	51.66	50.02	41.3	41.9	40.7	1.217	1.233	1.229
Instruments and related products.....	55.22	56.14	54.90	39.3	39.9	39.9	1.405	1.407	1.376
Lumber and wood products (except furniture).....	52.03	54.08	52.53	41.0	41.7	41.2	1.269	1.297	1.275
Machinery (except electrical).....	59.17	60.02	62.02	38.5	39.1	40.8	1.537	1.535	1.520
Ordnance and accessories.....	59.06	59.71	59.50	39.8	40.1	41.9	1.484	1.489	1.420
Primary metal industries.....	58.43	58.58	64.08	37.1	37.6	40.3	1.575	1.558	1.590
Stone, clay, and glass products.....	54.89	55.19	55.18	39.6	40.2	40.6	1.386	1.373	1.359
Transportation equipment.....	62.99	64.75	64.27	37.9	39.1	39.0	1.662	1.656	1.648
Nondurable goods.....	51.78	52.51	51.63	39.2	39.6	39.2	1.321	1.326	1.317
Apparel and other finished textile products.....	40.13	42.86	43.24	35.8	36.6	36.0	1.121	1.171	1.201
Chemicals and allied products.....	59.27	59.55	57.92	41.3	41.7	41.7	1.435	1.428	1.389
Food and kindred products.....	53.57	53.88	53.25	41.4	41.8	41.8	1.294	1.289	1.274
Leather and leather products.....	40.30	41.57	40.88	35.6	36.4	35.7	1.132	1.142	1.145
Paper and allied products.....	57.83	58.31	57.27	42.9	43.1	42.9	1.348	1.353	1.335
Printing, publishing, and allied industries.....	70.41	71.08	68.36	38.1	38.4	39.2	1.848	1.851	1.744
Products of petroleum and coal.....	72.04	74.09	72.60	40.0	41.0	40.4	1.801	1.807	1.797
Rubber products.....	57.68	59.53	58.20	38.2	39.4	38.7	1.510	1.511	1.504
Textile-mill products.....	47.28	47.16	45.49	39.5	39.5	38.0	1.197	1.194	1.197
Tobacco manufactures.....	38.14	37.86	37.07	37.8	38.2	37.9	1.009	.991	.978

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

²Revised series.

pPreliminary.

TABLE 2: PRODUCTION-WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES, NOVEMBER, 1949

Source: Bureau of Labor Statistics

Industry Group ¹	Employment ² (In Thousands)			
	Nov., 1949 ^p	Oct., 1949	Sept., 1949	Nov., 1948
ALL MANUFACTURING	11,215	11,382	11,770^r	12,775
Durable goods	5,683	5,676	6,062 ^r	6,942
Electrical machinery	551	549	531 ^r	650
Fabricated metal products (exc. ord., mach. and trans. equip.)	652	684	708 ^r	816
Furniture and fixtures	280	284	277 ^r	305
Instruments and related products	174	174	172	198
Lumber and wood products (except furniture)	691	691	685	754
Machinery (except electrical)	916	923	935 ^r	1,187
Ordnance and accessories	17.3	18.1	18.2	23.9
Primary metal industries	728	574	940	1,099
Stone, clay, and glass products	412	410	413 ^r	457
Transportation equipment	882	986	1,017 ^r	1,046
Nondurable goods	5,532	5,706	5,708 ^r	5,833
Apparel and other finished textile products	1,001	1,079	1,079 ^r	1,058
Chemicals and allied products	485	488	478	529
Food and kindred products	1,178	1,268	1,337 ^r	1,226
Leather and leather products	337	350	354 ^r	357
Paper and allied products	393	391	384	412
Printing, publishing, and allied industries	497	498	493	508
Products of petroleum and coal	185	185	190	192
Rubber products	191	187	168 ^r	209
Textile-mill products	1,177	1,168	1,131 ^r	1,245
Tobacco manufactures	88	92	94	97

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.²Revised series.^rRevised^pPreliminary.

and kindred products and apparel most important in the over-all 3% reduction. The release of 90,000 workers resulted from the lull in food processing activities while approximately 78,000 layoffs were reported in garment factories because of the widespread seasonal slowdown. Leather employment, following a contraction of footwear production, and tobacco employment were also down but some improvement was shown in rubber plants, paper mills and textile factories. This latter industry has shown notable improvement in recent months, in sharp contrast to the persistent slack experienced during the first half of 1949.

EARNINGS SHRINK

In the autumn months both hourly and weekly earnings in all manufacturing have been sliding downward. Month-to-month changes have not been great, but cumulatively the drop in the hourly return amounted to about two cents between September and November. The weekly wage was down \$1.27 in the same period. Since November, 1948, there has also been a decline in earnings—slight on an hourly basis but amounting to \$1.15 on a weekly scale. The direction of these over-all averages was determined by the downward pattern in durable goods since production workers in the soft goods classification earned slightly more in the year period.

WORK WEEK GENERALLY SHORTENED

Working hours have fluctuated slightly in recent months and no real trend has become apparent.

From October to November, a half-hour decline took place. With the exception of the textile industry's work week, which showed no change, hours were reduced in all the industry groups surveyed by the bureau. Slowed production of transportation equipment brought a change from 39.1 to 37.9 hours—the sharpest drop recorded over the month. Other declines varied from twelve minutes in paper mills to over an hour in rubber plants and instrument factories.

ELIZABETH M. CASELLI
Statistical Division

Developing Dealers

Two courses are being conducted this year by the General Motors Institute at Flint, Michigan, for young men who seek future opportunities in automobile sales management. The training is known as the General Motors Dealer Cooperative Program, and over 500 GM dealers participate by recommending students. The two-year course provides for alternating periods of study at the institute and directed work experience in the field.

Each candidate accepted must qualify on three counts: he must be a high school graduate, he must be sponsored by a General Motors dealer, and he must have a sincere vocational interest in retail automobile business. The cooperative program is more than twenty years old, and hundreds of graduates are now GM dealers in various parts of the country.

Small Plants Give Wage Boosts

WAGE increases continue to outnumber other forms of contract settlements noted by THE CONFERENCE BOARD during the November 15 to December 15 period. Of 111 agreements, sixty-nine called for increases varying from one-half cent to fifteen cents an hour, thirty-one provided for additional benefits and eleven were continued without change. Considering the number of workers covered, however, settlements for fringe benefits only were in the largest number: 866,000 workers won new or broadened fringe items, while about 57,000 workers obtained wage boosts. (The average number of workers per plant receiving wage increases was 826; the average for benefits only was 27,935.)

FIVE CENTS STILL LEADS

Five cents an hour was again the predominant increase among the reported industries. The largest group affected by a five-cent boost was 3,400 bus drivers and shop mechanics employed by the Fifth Avenue Coach Company and the New York City Omnibus Corporation. A pension plan and improved vacation provisions were also included in the new contract.

Several multicompartment negotiations affected truck drivers in Cincinnati and Cleveland. One hundred and twenty-five companies in Cincinnati agreed to a retroactive raise of seven cents an hour and six paid holidays a year for 2,000 AFL Teamsters. In Cleveland, 7,000 AFL Teamsters received a wage boost of eight cents an hour and a mileage rate increase of a quarter of a cent. A noncontributory health and welfare program was also provided by their new agreement. Previously, 40,000 over-the-road truck drivers in eleven midwestern states other than Ohio secured the same agreement.

In New York City, 17,000 AFL Building Service Employees were granted increases which will become effective in February and April of this year. The raises of about seven cents an hour were negotiated by the Midtown Realty Owners Association and the Realty Advisory Board on Labor Relations.

PENSIONS

New or broadened fringe items were secured by 866,000 workers. The most prevalent benefits recently granted have been those of a noncontributory pension plan allowing a monthly minimum of \$100 to employees sixty-five years old with twenty-five years' service,

and a social insurance program costing both the employer and worker 2.5 cents an hour. Similar but slightly modified plans were installed by Ford (salaried workers), Sloane-Blabon Corporation, Weirton Steel, the Bell Telephone System (unilateral) and the Clothing Manufacturers' Association of New York.

WAGE DECREASES

Practically no wage decreases were noted, but the workers of the Panther Moccasin Manufacturing Company in Auburn, Maine, voted to accept a pay cut. Piece rates will be lowered for only six months if a profit is realized under the new scale. The factory had been closed because of high production costs.

TEXTILE PLANS

Though the steel and auto unions have recently won pensions for their members, the CIO Textile Workers Union has decided not to seek raises during the first half of the year for about 90,000 employees in 150 New England and Middle Atlantic woolen and worsted mills. The AFL's United Textile Workers, in contrast, voted to ask for a \$100-a-month pension plan for its 60,000 members in woolen and worsted mills in the New England and New York areas.

A listing of wage adjustments, the majority of which have been verified by company reports, begins on page 30. The settlements are classified in these groupings: wage increases, settlements for fringe benefits only and no change in the wage structure.

DORIS K. LIPPMAN
Statistical Division

Personnel Briefs

Getting Well with Television

A portable television set is now at the disposal of convalescing employees of the Formica Company, Cincinnati, Ohio. Originally it was purchased by members of the engineering department as a gift for the vice-president and general engineer of the company, who was ill at the time. When he had recovered, he decided to make it available for all convalescing employees.

No Home Fires Burning

Fire prevention and fire fighting were the subjects of a special safety class recently conducted for women employees of the Union Electric Company of Missouri. Particular attention was directed to identifying and fighting the various types of fires that occur in the home. By extinguishing actual fires in demonstration classes, the women were given the opportunity to use several different types of equipment.

Consumers' Prices Show Slight Rise

CONSUMERS' prices were slightly higher in mid-November than they were a month earlier. Since the sharp drop in the fall of 1948, the index has remained almost level, averaging 161.4 for the first eleven months of 1949. The advance of 0.1% in the over-all index in November resulted from increases in only two of the components, 0.5% in fuel and 0.1% in sundries. The rise in the fuel index reflected advances in fuel prices, and slight increases in electricity and gas (0.1%). The increase of 0.1% in sundries was due to the annual pricing for motion pictures, which was offset in part by decreases in cleaning material.

For the first time since August, 1935, the food component has shown no measurable change. The only appreciable increases were in rib roast, butter, green beans, lettuce, onions, coffee, flour and bananas. These were offset by decreases in pork, lard, eggs, sweet potatoes, dried beans, canned corn and oranges. The Department of Agriculture recently forecast that 1950 production of pork may be 7% to 10% greater than this year. They also say that more meat at moderately lower prices is in prospect for this year.

The clothing and housefurnishings components continued their downward trend, both decreasing 0.1%. Except for September, when women's clothing showed a 0.5% increase, both men's and women's

clothing declined steadily throughout 1949. Housefurnishings also followed this continuous downward trend.

Of the sixty-one cities for which individual indexes were compiled in November, twenty-two showed increases, two showed no change, and thirty-seven registered declines. The percentage changes ranged from an increase of 1.2% in New Orleans to a decrease of 0.9% in Macon and Richmond.

(Continued on page 29)

PRELIMINARY DATA FOR DECEMBER

Preliminary data for December, 1949, indicate that the consumers' price index declined 0.7%, bringing the index down to 159.2. The decrease of 1.5% in food was the major cause for the decline.

The estimated index figures for December, 1949, are: food, 201.0 (down 1.5%); clothing, 143.5 (down 0.2%); fuel, 130.0 (up 0.4%); housefurnishings, 147.6 (up 0.3%); sundries, 154.5 (down 0.1%). Housing was not surveyed in December.

Preliminary figures are based on complete statistics for a number of selected cities.

CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, January, 1939=100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1948 November.....	163.8	214.1	111.2	156.0	167.4	146.4	126.9 ^r	90.3	95.4 ^r	157.9	151.9	61.1
December.....	162.9	211.6	111.2	155.3	166.9	145.5	126.8 ^r	90.4	95.4 ^r	157.6	151.9	61.4
Annual average.....	163.7	217.9	110.6	156.0	167.8	146.1	123.5	90.1	94.5	156.9	148.1	61.1
1949 January.....	162.9 ^r	211.3 ^a	112.1	153.7	165.3	143.9	128.8 ^r	90.4	100.7 ^r	157.1	151.7	61.4
February.....	161.2 ^r	206.8	112.1	152.3	164.6	141.8	129.5 ^r	91.0	101.1 ^r	156.3	151.6	62.0 ^r
March.....	161.4 ^r	207.7	112.1	150.8	163.2	140.2	129.3 ^r	91.0	101.1 ^r	154.4	151.9	62.0
April.....	161.4 ^r	208.7 ^b	112.3	148.7	161.9	137.7	127.9 ^r	91.0	101.3 ^r	153.1	151.9	62.0
May.....	161.6 ^r	208.2 ^c	112.3	147.8	160.7	136.9	126.8 ^r	91.9	101.8 ^r	151.8	153.9	61.9
June.....	161.7 ^r	209.0	112.3	145.8	159.0	134.6	127.0 ^r	92.0	101.9 ^r	150.4	154.1	61.8 ^r
July.....	161.2 ^r	207.8 ^d	112.7	144.8	157.8	133.9	126.9 ^r	92.0	101.8 ^r	148.7	154.1	62.0 ^r
August.....	161.3 ^r	208.2	112.7	144.0	157.3	132.8	127.1 ^r	91.9	101.9 ^r	148.0	154.3	62.0
September.....	161.9 ^r	209.6	112.7	144.1	156.6	133.5	128.0 ^r	92.3	101.8 ^r	147.5 ^r	154.6	61.8
October.....	160.2 ^r	204.0 ^e	113.6	144.0	156.5	133.3	128.8 ^r	92.3	101.9 ^r	147.4	154.5	62.4 ^r
November.....	160.3	204.1	113.6	143.8	156.4	133.2	129.5	92.4	102.0	147.2	154.6	62.4

Percentage Changes

Oct., 1949 to Nov., 1949...	+0.1	f	0	-0.1	-0.1	-0.1	+0.5	+0.1	+0.1	-0.1	+0.1	0
Nov., 1948 to Nov., 1949...	-2.1	-4.7	+2.2	-7.8	-6.6	-9.0	+2.0	+2.3	+6.9	-6.8	+1.8	+2.1

¹Reints surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^aBased on food prices for Jan. 13, 1949.

^bBased on food prices for April 14, 1949.

^cBased on food prices for May 16, 1949.

^dBased on food prices for July 14, 1949.

^eBased on food prices for Oct. 13, 1949.

^fLess than 0.1%.

^rRevised

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES

SOURCE: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949		Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949
Akron						Chicago					
Food.....	207.7	210.0 _r	218.2 _r	-1.1	-4.8	Food.....	213.4	210.7 _r	222.0	+1.3	-8.9
Housing ¹	123.8	123.8	121.3	0	+2.1	Housing ¹	120.5	120.5	120.5	0	0
Clothing.....	143.5	143.6 _r	155.5	-0.1	-7.7	Clothing.....	142.5	142.7	156.3	-0.1	-8.8
Fuel ²	155.6	155.2	155.6	+0.3	0	Fuel ²	113.0	110.0	112.0	+2.7	+0.9
Housefurnishings.....	130.2	130.5	135.7	-0.2	-4.1	Housefurnishings.....	142.5	142.6 _r	152.9	-0.1	-6.8
Sundries.....	153.9	154.0	152.9 _r	-0.1	+0.7	Sundries.....	158.8	158.5	154.7	+0.2	+2.7
Weighted Total.....	162.5	163.2	166.5	-0.4	-2.4	Weighted Total.....	163.6	162.5 _r	166.9	+0.7	-2.0
Atlanta						Cincinnati					
Food.....	202.8	206.6	220.5	-1.8	-8.0	Food.....	202.7	203.5	212.4	-0.4	-4.6
Housing ¹	113.5	113.5	108.8	0	+4.3	Housing ¹	115.2	115.2	110.8	0	+4.0
Clothing.....	130.2	131.0	142.6	-0.6	-8.7	Clothing.....	156.8	156.8	166.7	0	-5.9
Fuel ²	129.8	129.8	134.6	0	-8.6	Fuel ²	143.9	143.8	135.7	+0.1	+6.0
Housefurnishings.....	147.0	148.0	153.7	-0.7	-4.4	Housefurnishings.....	148.0	148.1	149.1	-0.1	-0.7
Sundries.....	144.0	143.6	138.5	+0.3	+4.0	Sundries.....	154.0	154.0 _r	152.1	0	+1.2
Weighted Total.....	154.2	155.3	158.6	-0.7	-2.8	Weighted Total.....	162.7	162.9 _r	165.3	-0.1	-1.6
Baltimore						Cleveland					
Food.....	205.3	207.8 _r	215.4	-1.2	-4.7	Food.....	203.8	205.4 _r	215.9	-0.8	-5.6
Housing ¹	110.1	110.1	110.1	0	0	Housing ¹	116.9	116.9	116.7	0	+0.2
Clothing.....	145.0	145.5	154.8	-0.3	-6.3	Clothing.....	151.3	151.2	166.7	+0.1	-9.2
Fuel ²	150.6	150.5	147.7 _r	+0.1	+2.0	Fuel ²	137.3	137.0	135.8	+0.2	+1.1
Housefurnishings.....	162.9	163.6	168.7	-0.4	-3.4	Housefurnishings.....	155.5	155.5	163.0	0	-4.6
Sundries.....	145.6	145.4	143.4	+0.1	+1.5	Sundries.....	152.5	152.6	151.3	-0.1	+0.8
Weighted Total.....	161.0	161.9 _r	165.0 _r	-0.6	-2.4	Weighted Total.....	160.6	161.1 _r	165.8	-0.3	-3.1
Birmingham						Dallas					
Food.....	207.6	210.1	219.9	-1.2	-5.6	Food.....	211.1	211.5	220.6	-0.2	-4.3
Housing ¹	121.6	121.6	121.5	0	+0.1	Housing ¹	150.6	150.6	115.1	0	+30.8
Clothing.....	146.9	147.3	156.9	-0.3	-6.4	Clothing.....	146.5	146.8	161.1	-0.2	-9.1
Fuel ²	127.9	125.4	126.4	+2.0	+1.2	Fuel ²	89.1	89.1	89.1	0	0
Housefurnishings.....	147.0	147.0	155.6	0	-5.2	Housefurnishings.....	145.2	145.0	156.9	+0.1	-7.5
Sundries.....	141.0	141.0	136.5	0	+3.3	Sundries.....	153.1	152.6	146.4	+0.3	+4.6
Weighted Total.....	157.3	158.0	160.9	-0.4	-2.2	Weighted Total.....	163.1	163.1	159.5	0	+2.3
Boston						Dayton					
Food.....	192.7	192.1 _r	200.1	+0.3	-3.7	Food.....	196.8	198.0	205.4	-0.6	-4.2
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	117.5	117.5	117.5	0	0
Clothing.....	139.4	139.5	147.2	-0.1	-5.3	Clothing.....	138.3	138.4	151.9	-0.1	-9.0
Fuel ²	153.6	157.6	161.2 _r	+0.6	-1.6	Fuel ²	140.2	140.2	141.9	0	-1.2
Housefurnishings.....	152.9	152.9 _r	162.4	0	-5.8	Housefurnishings.....	152.5	152.1	167.4	+0.3	-8.9
Sundries.....	151.0	150.9	146.5	+0.1	+3.1	Sundries.....	143.5	143.1	140.6	+0.3	+2.1
Weighted Total.....	158.5	158.2	161.2 _r	+0.2	-1.7	Weighted Total.....	154.8	155.1	159.2	-0.2	-2.8
Bridgeport						Denver					
Food.....	197.8	196.0	210.3	+0.9	-5.9	Food.....	207.7	205.0 _r	216.6	+1.3	-4.1
Housing ¹	107.2	107.2	107.1	0	+0.1	Housing ¹	113.4	113.4	113.4	0	0
Clothing.....	138.4	138.9 _r	150.9	-0.4	-8.3	Clothing.....	152.4	152.5 _r	159.0	-0.1	-4.2
Fuel ²	148.9	148.4	152.2 _r	+0.3	-2.2	Fuel ²	105.4	104.9	105.1	+0.5	+0.3
Housefurnishings.....	144.7	144.5	155.4	+0.1	-6.9	Housefurnishings.....	139.8	140.7 _r	153.5	-0.6	-8.9
Sundries.....	170.7	171.3	168.6	-0.4	+1.2	Sundries.....	150.3	149.2	146.0	+0.7	+2.9
Weighted Total.....	161.5	161.0 _r	166.8	+0.3	-3.2	Weighted Total.....	158.5	157.3	161.1	+0.8	-1.6
Buffalo						Des Moines					
Food.....	222.2	221.7 _r	226.5	+0.2	-1.9	Food.....	205.6	206.2 _r	213.2	-0.3	-3.6
Housing ¹	121.1	121.1	117.8	0	+2.3	Housing ¹	109.9	109.9	107.7	0	+2.0
Clothing.....	142.4	143.3 _r	151.7	-0.6	-6.1	Clothing.....	153.4	153.7	167.0	-0.2	-8.1
Fuel ²	144.9	144.9	144.2	0	+0.5	Fuel ²	150.8	150.3	151.4 _r	+0.3	-0.4
Housefurnishings.....	145.0	146.1	158.1	-0.8	-8.3	Housefurnishings.....	146.3	146.4	161.9	-0.1	-9.6
Sundries.....	154.8	154.8	149.5	0	+3.5	Sundries.....	149.4	149.6	145.8	-0.1	+2.5
Weighted Total.....	167.0	167.0 _r	167.9	0	-0.5	Weighted Total.....	158.3	158.5	160.9 _r	-0.1	-1.6
Chattanooga						Detroit					
Food.....	209.8	209.0 _r	223.5	+0.4	-6.1	Food.....	204.4	206.6	215.9 _r	-1.1	-5.3
Housing ¹	124.2	124.2	103.7	0	+19.8	Housing ¹	114.8	114.8	109.9	0	+4.5
Clothing.....	130.7	130.7	153.3	0	-14.7	Clothing.....	142.7	142.8	155.5	-0.1	-8.2
Fuel ²	134.1	127.4	133.0	+5.3	+0.8	Fuel ²	146.7	146.3	147.6	+0.3	-0.6
Housefurnishings.....	103.8	105.6	142.6	-1.7	-27.2	Housefurnishings.....	149.6	149.7 _r	164.5	-0.1	-9.1
Sundries.....	141.5	142.0	138.1	-0.4	+2.5	Sundries.....	165.3	165.3	162.6	0	+1.7
Weighted Total.....	155.9	155.5	159.8	+0.3	-2.4	Weighted Total.....	162.4	163.0	166.2 _r	-0.4	-2.3

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

_rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949		Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949
Duluth						Kansas City, Mo.					
Food.....	200.6	201.9	209.9	-0.6	-4.4	Food.....	189.6	189.4 _r	201.1	+0.1	-5.7
Housing ¹	112.9	112.9	102.3	0	+10.4	Housing ¹	110.3	110.3	108.4	0	+1.8
Clothing.....	153.5	153.6	165.7 _r	-0.1	-7.4	Clothing.....	149.7	149.9 _r	160.8	-0.1	-6.9
Fuel ²	148.5	148.5	151.0	0	-1.7	Fuel ²	119.8	120.0	121.4	-0.2	-1.8
Housefurnishings.....	156.5	156.3	172.7	+0.1	-9.4	Housefurnishings.....	138.5	138.5	147.0	0	-5.8
Sundries.....	148.1	148.4	144.9	-0.2	+2.2	Sundries.....	153.1	152.5	152.6	+0.4	+0.3
Weighted Total.....	161.3	161.8	164.2	+0.3	-1.8	Weighted Total....	153.2	153.0	157.8	+0.1	-2.9
Erie, Pa.						Lansing					
Food.....	217.9	219.0 _r	223.9	-0.5	-2.7	Food.....	209.5	213.1	233.0	-1.7	-10.1
Housing ¹	123.2	123.2	123.2	0	0	Housing ¹	109.1	109.1	102.1	0	+6.9
Clothing.....	167.0	167.1	172.4	-0.1	-3.1	Clothing.....	143.9	144.1 _r	158.2	-0.1	-9.0
Fuel ²	153.7	153.7	155.1	0	-0.9	Fuel ²	139.9	139.6	136.8	+0.2	+2.3
Housefurnishings.....	145.6	145.6	158.6	0	-8.2	Housefurnishings.....	151.8	151.9	164.6	-0.1	-7.8
Sundries.....	162.9	161.9	156.3	+0.6	+4.2	Sundries.....	158.4	158.4	157.0	0	+0.9
Weighted Total.....	172.0	172.1	173.3	-0.1	-0.8	Weighted Total....	159.1	160.1	165.9	-0.6	-4.1
Fall River						Los Angeles					
Food.....	192.8	193.5 _r	201.6	-0.4	-4.4	Food.....	201.5	202.4 _r	217.6	-0.4	-7.4
Housing ¹	106.9	106.9	106.9	0	0	Housing ¹	111.9	111.9	111.9	0	0
Clothing.....	154.8	154.8	171.4	0	-9.7	Clothing.....	139.0	139.1	145.7	-0.1	-4.6
Fuel ²	146.7	146.7	152.4	0	-3.7	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	128.4	128.2	140.7	+0.2	-8.7	Housefurnishings.....	137.8	137.3	147.1	+0.4	-6.3
Sundries.....	155.0	155.0	151.4	0	+2.4	Sundries.....	151.2	150.9	145.2	+0.2	+4.1
Weighted Total.....	158.1	158.4 _r	162.6	-0.2	-2.8	Weighted Total....	154.8	154.9	158.7	-0.1	-2.5
Grand Rapids						Louisville					
Food.....	201.9	204.6 _r	214.4	-1.3	-5.8	Food.....	209.3	209.9	223.1	-0.3	-6.2
Housing ¹	118.8	118.8	112.8	0	+5.3	Housing ¹	107.1	107.1	107.1	0	0
Clothing.....	138.1	138.2	154.6	-0.1	-10.7	Clothing.....	140.0	141.3	153.3	-0.9	-8.7
Fuel ²	155.1	155.1	154.0	0	+0.7	Fuel ²	155.4	150.7	156.1	+3.1	-0.4
Housefurnishings.....	155.1	155.3	172.0	-0.1	-9.8	Housefurnishings.....	153.5	153.1	164.9	+0.3	-6.9
Sundries.....	157.8	157.9	155.1	-0.1	+1.7	Sundries.....	162.5	162.4	161.9	+0.1	+0.4
Weighted Total.....	161.4	162.3	165.9	-0.6	-2.7	Weighted Total....	165.9	165.8	172.5	+0.1	-3.8
Green Bay, Wis.						Macon					
Food.....	210.5	213.4	203.1	-1.4	+3.6	Food.....	197.4	201.0	215.3	-1.8	-8.3
Housing ¹	115.2	115.2	115.2	0	0	Housing ¹	123.7	123.7	123.2	0	+0.4
Clothing.....	152.3	153.2	168.4	-0.6	-9.6	Clothing.....	148.0	150.2	162.5	-1.5	-8.9
Fuel ²	141.3	139.7	140.6 _r	+1.1	+0.5	Fuel ²	121.0	121.0	117.9	0	+2.6
Housefurnishings.....	132.9	134.3	158.5	-1.0	-16.2	Housefurnishings.....	141.1	141.1	154.2 _r	0	-8.5
Sundries.....	149.1	149.3	145.1	-0.1	+2.8	Sundries.....	149.6	149.5	138.5	+0.1	+8.0
Weighted Total.....	160.3	161.2	160.3 _r	-0.6	0	Weighted Total....	159.3	160.7	162.8	-0.9	-2.1
Houston						Memphis					
Food.....	211.8	211.0	223.9	+0.4	-5.4	Food.....	219.2	216.2	222.0	+1.4	-1.3
Housing ¹	115.8	115.8	111.1	0	+4.2	Housing ¹	114.4	114.4	114.0	0	+0.4
Clothing.....	142.6	142.8	156.0	-0.1	-8.6	Clothing.....	148.8	148.9	160.6	-0.1	-7.3
Fuel ²	81.8	81.8	81.8	0	0	Fuel ²	117.9	117.9	117.9	0	0
Housefurnishings.....	129.7	129.5 _r	143.5 _r	+0.2	-9.6	Housefurnishings.....	145.4	145.4	156.8	0	-7.3
Sundries.....	150.9	150.3	146.1	+0.4	+3.3	Sundries.....	137.2	136.1	131.9	+0.8	+4.0
Weighted Total.....	156.1	155.7 _r	159.3	+0.3	-2.0	Weighted Total....	156.5	155.3	157.6	+0.8	-0.7
Huntington, W. Va.						Milwaukee					
Food.....	194.2	196.3 _r	214.8	-1.1	-9.6	Food.....	200.4	203.9	215.0	-1.7	-6.8
Housing ¹	111.7	111.7	111.7	0	0	Housing ¹	138.2	138.2	112.1	0	+23.3
Clothing.....	139.5	139.9 _r	156.3	-0.3	-10.7	Clothing.....	155.0	155.4	167.1	-0.3	-7.2
Fuel ²	100.0	100.0	100.0	0	0	Fuel ²	135.8	135.8	134.2 _r	0	+1.2
Housefurnishings.....	143.2	142.8	161.9	+0.3	-11.6	Housefurnishings.....	157.1	155.7	176.0	+0.9	-10.7
Sundries.....	155.8	154.2	147.0	+1.0	+6.0	Sundries.....	161.8	159.5	156.0	+1.4	+3.7
Weighted Total.....	156.5	156.6	162.8	-0.1	-3.9	Weighted Total....	165.5	165.9	165.2 _r	-0.2	+0.2
Indianapolis						Minneapolis					
Food.....	209.6	211.3	221.8	-0.8	-5.5	Food.....	221.3	220.8	226.1	+0.2	-2.1
Housing ¹	119.4	119.4	116.1	0	+2.8	Housing ¹	109.6	109.6	108.8	0	+0.7
Clothing.....	141.1	141.0	149.9	+0.1	-5.9	Clothing.....	149.8	149.8	163.0	0	-8.1
Fuel ²	153.7	153.7	150.8	0	+1.9	Fuel ²	137.6	137.6	136.5 _r	0	+0.8
Housefurnishings.....	145.1	145.1 _r	153.4	0	-5.4	Housefurnishings.....	151.7	153.3	170.0	-1.0	-10.8
Sundries.....	156.9	157.5	155.8	-0.4	+0.7	Sundries.....	159.9	159.8	154.4	+0.1	+3.6
Weighted Total.....	163.4	164.0	167.3	-0.4	-2.3	Weighted Total....	166.0	165.9	167.8 _r	+0.1	-1.1

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

_rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949		Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949
Muskegon						Portland, Ore.					
Food.....	241.7	243.9	253.2	-0.9	-4.5	Food.....	209.9	211.3	221.3	-0.7	-5.2
Housing ¹	115.4	115.4	115.4	0	0	Housing ¹	122.8	122.8	122.8	0	0
Clothing.....	138.7	139.7	151.3	-0.7	-8.3	Clothing.....	165.1	165.1	175.1	0	-5.7
Fuel ²	161.5	161.5	162.2	0	-0.4	Fuel ²	139.9	135.2	129.3	+3.5	+8.2
Housefurnishings.....	115.0	116.4	138.5	-1.2	-17.0	Housefurnishings.....	134.9	135.2	146.0	-0.2	-7.6
Sundries.....	147.6	147.6	143.3	0	+3.0	Sundries.....	140.6	140.6	138.5r	0	+1.5
Weighted Total.....	166.5	167.3	171.4r	-0.5	-2.9	Weighted Total.....	161.1	161.3	164.8r	-0.1	-2.2
Newark						Providence					
Food.....	203.6	203.3r	213.7	+0.1	-4.7	Food.....	205.2	206.1	214.5r	-0.4	-4.3
Housing ¹	106.2	106.2	105.1	0	+1.0	Housing ¹	106.2	106.2	106.2	0	0
Clothing.....	135.9	135.8	145.7	+0.1	-6.7	Clothing.....	153.2	153.3	157.6	-0.1	-2.8
Fuel ²	117.2	117.0	117.1	+0.2	+0.1	Fuel ²	144.0	142.1	145.1	+1.3	-0.8
Housefurnishings.....	166.0	166.2	176.0	-0.1	-5.7	Housefurnishings.....	131.3	131.3	141.8	0	-7.4
Sundries.....	145.7	145.7	140.4	0	+3.8	Sundries.....	146.0	145.9	148.2	+0.1	-1.5
Weighted Total.....	157.7	157.6r	161.0	+0.1	-2.0	Weighted Total.....	157.5	157.6	161.9r	-0.1	-2.7
New Haven						Richmond					
Food.....	196.7	198.1r	208.5	-0.7	-5.7	Food.....	228.8	234.5r	243.2	-2.4	-5.9
Housing ¹	106.6	106.6	105.7	0	+0.9	Housing ¹	116.2	116.2	116.2	0	0
Clothing.....	151.9	152.2	164.6	-0.2	-7.7	Clothing.....	150.1	150.3	163.3	-0.1	-8.1
Fuel ²	139.7	138.3r	142.4	+1.0	-1.9	Fuel ²	137.2	137.2	130.3	0	+5.3
Housefurnishings.....	141.8	141.9	153.2	-0.1	-7.4	Housefurnishings.....	151.2	150.9	163.5	+0.2	-7.5
Sundries.....	128.8	128.7	127.2	+0.1	+1.3	Sundries.....	136.6	136.1	132.7	+0.4	+2.9
Weighted Total.....	150.3	150.7	155.3	-0.3	-3.2	Weighted Total.....	162.1	163.6	166.6	-0.9	-2.7
New Orleans						Roanoke, Va.					
Food.....	213.8	208.9r	216.1r	+2.3	-1.1	Food.....	205.4	206.8r	218.7	-0.7	-6.1
Housing ¹	119.2	119.2	118.7	0	+0.4	Housing ¹	140.6	140.6	134.8	0	+4.3
Clothing.....	148.7	148.9	161.1	-0.1	-7.7	Clothing.....	162.1	162.1	172.5	0	-6.0
Fuel ²	90.8	90.3	91.4	+0.6	-0.7	Fuel ²	154.8	152.5	152.8	+1.5	+1.3
Housefurnishings.....	159.1	159.8	164.1	-0.4	-3.0	Housefurnishings.....	151.2	151.2	159.4	0	-5.1
Sundries.....	140.0	139.9	138.3	+0.1	+1.2	Sundries.....	151.0	150.6	145.5	+0.3	+3.8
Weighted Total.....	163.6	161.7	165.5	+1.2	-1.1	Weighted Total.....	166.7	166.8	169.1	-0.1	-1.4
New York						Rochester					
Food.....	195.4	194.2	205.8	+0.6	-5.1	Food.....	208.8	210.4r	218.6	-0.8	-4.5
Housing ¹	104.5	104.5	103.8	0	+0.7	Housing ¹	116.7	116.7	108.3	0	+7.8
Clothing.....	143.7	143.7	155.4	0	-7.5	Clothing.....	146.6	146.9	162.1	-0.2	-9.6
Fuel ²	130.0	129.9r	120.3	+0.1	+8.1	Fuel ²	162.1	162.1r	157.3	0	+3.1
Housefurnishings.....	149.9	150.3	157.9	-0.3	-5.1	Housefurnishings.....	177.1	177.3	183.6	-0.1	-3.5
Sundries.....	160.7	160.9	160.9r	-0.1	-0.1	Sundries.....	158.0	156.7	154.3	+0.8	+2.4
Weighted Total.....	157.6	157.2r	162.3r	+0.3	-2.9	Weighted Total.....	163.9	164.1r	165.4	-0.1	-0.9
Omaha						Rockford, Ill.					
Food.....	226.9	227.5	238.4	-0.3	-4.8	Food.....	223.3	223.1	233.5	+0.1	-4.4
Housing ¹	111.3	111.3	106.0	0	+5.0	Housing ¹	148.4	148.4	140.3	0	+5.8
Clothing.....	143.1	143.3	156.4r	-0.1	-8.5	Clothing.....	141.3	141.3	160.1	0	-11.7
Fuel ²	132.1	130.9	133.8	+0.9	-1.3	Fuel ²	143.0	141.8	146.3	+0.8	-2.3
Housefurnishings.....	163.1	162.7	176.6r	+0.2	-7.6	Housefurnishings.....	146.1	146.5	164.9	-0.3	-11.4
Sundries.....	151.5	151.5	148.4	0	+2.1	Sundries.....	153.3	153.0	149.5	+0.2	+2.5
Weighted Total.....	164.6	164.7	168.1	-0.1	-2.1	Weighted Total.....	171.3	171.0	174.9	+0.2	-2.1
Philadelphia						Sacramento					
Food.....	191.9	193.1r	199.5	-0.6	-3.8	Food.....	206.7	208.4	220.0	-0.8	-6.0
Housing ¹	110.5	110.5	110.4	0	+0.1	Housing ¹	115.5	115.5	115.3	0	+0.2
Clothing.....	133.1	133.3	149.1	-0.2	-10.7	Clothing.....	163.2	163.0	171.0r	+0.1	-4.6
Fuel ²	146.6	145.4	142.8	+0.8	+2.7	Fuel ²	76.2	73.7	74.7	+3.4	+2.0
Housefurnishings.....	146.1	146.0r	151.5	+0.1	-3.6	Housefurnishings.....	157.9	158.6	177.2r	-0.4	-10.9
Sundries.....	152.8	152.8	150.0r	0	+1.9	Sundries.....	151.5	151.0	146.8	+0.3	+3.2
Weighted Total.....	157.1	157.5r	160.8r	-0.3	-2.3	Weighted Total.....	159.4	159.6	163.5	-0.1	-2.5
Pittsburgh						St. Louis					
Food.....	203.2	203.1r	211.4	a	-3.9	Food.....	201.6	200.6	209.6	+0.5	-3.3
Housing ¹	118.6	118.6	116.3	0	+2.0	Housing ¹	116.4	116.4	113.0	0	+3.0
Clothing.....	142.1	141.8	152.9	+0.2	-7.1	Clothing.....	138.6	138.7r	151.4	-0.1	-8.5
Fuel ²	135.1	135.1	137.0	0	-1.4	Fuel ²	144.8	144.8	146.3r	0	-1.0
Housefurnishings.....	136.2	136.1	147.5	+0.1	-7.7	Housefurnishings.....	131.4	131.4	159.9	0	-17.8
Sundries.....	152.0	152.1	149.8	-0.1	+1.5	Sundries.....	140.1	140.1	138.3	0	+1.3
Weighted Total.....	159.4	159.3	162.9	+0.1	-2.1	Weighted Total.....	156.2	155.9	160.6r	+0.2	-2.7

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

r Revised.

a Less than 0.1%.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949		Nov. 1949	Oct. 1949	Nov. 1948	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949
St. Paul						Toledo					
Food.....	212.2	215.6	223.3	-1.6	-5.0	Food.....	206.4	203.5	217.4 ^r	+1.4	-5.1
Housing ¹	108.2	108.2	107.7	0	+0.5	Housing ¹	126.5	126.5	120.8	0	+4.7
Clothing.....	139.0	139.1	151.9 ^r	-0.1	-8.5	Clothing.....	146.2	145.6	160.9	+0.4	-9.1
Fuel ²	136.8	136.8	139.7	0	-2.1	Fuel ²	145.9	145.5	147.1	+0.3	-0.8
Housefurnishings.....	155.8	155.6 ^r	171.6	+0.1	-9.2	Housefurnishings.....	142.4	142.9	149.4	-0.3	-4.7
Sundries.....	154.6	154.4	149.8	+0.1	+3.2	Sundries.....	157.6	157.8	155.7	-0.1	+1.2
Weighted Total.....	160.6	161.6	164.7 ^r	-0.6	-2.5	Weighted Total.....	164.3	163.4	168.0	+0.6	-2.2
San Francisco-Oakland..						Wausau, Wis.					
Food.....	220.6	218.5	226.3 ^r	+1.0	-2.5	Food.....	217.6	219.6 ^r	231.1	-0.9	-5.8
Housing ¹	102.7	102.7	100.9	0	+1.8	Housing ¹	107.6	107.6	107.6	0	0
Clothing.....	146.5	146.6	160.3	-0.1	-8.6	Clothing.....	161.8	161.8	183.8	0	-12.0
Fuel ²	93.6	91.2	90.8	+2.6	+3.1	Fuel ²	147.7	145.5	148.4	+1.5	-0.5
Housefurnishings.....	143.6	143.6	155.6	0	-7.7	Housefurnishings.....	147.6	147.1	155.5 ^r	+0.3	-5.1
Sundries.....	157.1	157.3	153.1	-0.1	+2.6	Sundries.....	151.4	151.4	149.2	0	+1.5
Weighted Total.....	164.1	163.4	166.3 ^r	+0.4	-1.3	Weighted Total.....	163.7	164.0	170.0	-0.2	-3.7
Seattle						Wilmington, Del.					
Food.....	202.0	205.2	213.9 ^r	-1.6	-5.6	Food.....	185.8	186.6 ^r	196.3	-0.4	-5.3
Housing ¹	120.0	120.0	115.9	0	+3.5	Housing ¹	125.8	125.8	113.3	0	+11.0
Clothing.....	134.0	135.0 ^r	147.5	-0.7	-9.2	Clothing.....	149.9	150.5	169.1	-0.4	-11.4
Fuel ²	136.3	136.1	134.5	+0.1	+1.3	Fuel ²	130.6	130.0	130.7	+0.5	-0.1
Housefurnishings.....	158.4	158.6	169.8 ^r	-0.1	-6.7	Housefurnishings.....	142.5	141.7	172.6	+0.6	-17.4
Sundries.....	146.4	146.5	143.1	-0.1	+2.3	Sundries.....	141.2	141.2	133.1	0	+6.1
Weighted Total.....	158.5	159.6	162.3 ^r	-0.7	-2.3	Weighted Total.....	154.8	155.1	158.4	-0.2	-2.3
Spokane						Youngstown					
Food.....	200.1	200.0	210.2	+0.1	-4.8	Food.....	206.7	206.9	219.8	-0.1	-6.0
Housing ¹	129.2	129.2	110.8	0	+16.6	Housing ¹	106.8	106.8	106.8	0	0
Clothing.....	128.5	128.5	147.1 ^r	0	-12.6	Clothing.....	160.3	161.0 ^r	172.3	-0.4	-7.0
Fuel ²	148.3	148.3	147.5	0	+0.5	Fuel ²	141.4	141.4 ^r	140.2	0	+0.9
Housefurnishings.....	135.9	136.2	152.2	-0.2	-10.7	Housefurnishings.....	145.9	145.7	161.5	-0.1	-9.7
Sundries.....	147.3	146.9	142.4	+0.3	+3.4	Sundries.....	143.2	142.1	142.5	+0.8	-0.5
Weighted Total.....	159.4	159.3	160.4	+0.1	-0.6	Weighted Total.....	157.7	157.5	163.6	+0.1	-3.6
Syracuse											
Food.....	203.2	206.0 ^r	214.6	-1.4	-5.3						
Housing ¹	116.7	116.7	116.7	0	0						
Clothing.....	144.8	144.9	157.6	-0.1	-8.1						
Fuel ²	150.4	150.4	150.3	0	+0.1						
Housefurnishings.....	153.8	155.3	163.7	-1.0	-6.0						
Sundries.....	143.5	143.5	140.7	0	+2.0						
Weighted Total.....	156.6	157.5 ^r	160.9	-0.6	-2.7						

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

PERCENTAGE CHANGES IN INDEXES FOR FOUR CITIES

	Weighted Total		Food		Housing ¹		Clothing		Fuel and Light		Housefurnishings		Sundries	
	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949	Oct. 1949 to Nov. 1949	Nov. 1948 to Nov. 1949
Evansville, Ind.....	+0.1	-1.9	-0.6	-5.3	0	+0.8	-0.1	-8.6	+0.7	+0.3	-0.1	-6.8	+0.8	+5.2
International Falls, Minn.....	-0.1	-0.1	-0.2	-3.7	0	0	-11.4	0	0	-0.8	-0.1	-5.5	+0.1	+9.4
Joliet, Ill. ²	-0.3	-2.3	-0.5	-4.5	0	+3.6	-1.0	-8.7	0	-0.9	+0.1	-11.9	0	+2.5
Trenton, N. J.....	-0.4	-2.2	-0.9	-4.9	0	+4.1	+0.2	-8.3	0	+1.3	0	-8.4	0	+3.1

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15.

²Includes Lockport and Rockdale.

(Continued from page 25)

Over the year, two cities showed over-all increases Dallas (2.3%) and Milwaukee (0.2%). Green Bay showed no change, while the remaining fifty-eight cities showed decreases ranging from 0.1% in International Falls, to 4.1% in Lansing.

The purchasing value of the January, 1939, dollar remained the same as a month ago (62.4 cents) but was worth 1.3 cents more than in November, 1948.

SHIRLEY FASS
Statistical Division

Wage Settlement Announcements—Nov. 15 to Dec. 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure

Note: Adjustments verified by company unless otherwise specified

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products</i>							
American Cyanamid Company..... Piney River, Va.	WE	\$.03 hr.	10-30-49	240	\$.97 hr.	1-15-49	(UMW, Dist. 50)
Diamond Alkali Company..... Painesville, O.	WE	\$.05 hr. general	10-6-49	2,250	\$1.61 hr. average straight time	7-22-48	Three paid holidays: Thanksgiving, Christmas and New Year's Day. (UMW, Dist. 50)
Eimer and Amend..... New York, N. Y.	WE	\$2.40 wk.	10-21-49	180	\$3.90 hr. to \$2.50 hr.	10-21-48	(UMW, Dist. 50)
Spencer Kellogg & Sons, Inc..... Calif.	WE	\$.05 hr.	9-1-49	100	n.a.	n.a.	(United Gas, Coke and Chemical Workers, CIO)
Monsanto Chemical Co..... Anniston, Ala.	WE	\$.05 hr.	10-26-49	n.a.	n.a.	n.a.	One-year contract, retroactive to 9-26-49. (Int. Chemical Workers, AFL)
Monsanto, Ill.	WE	\$.06 hr.	11-22-49	n.a.	n.a.	n.a.	Contract is for 18 months. Increase retroactive to 10-12-49. Additional paid holiday. (Int. Chemical Workers, AFL)
Nitro, West. Va.	WE	\$.05 hr.	10-1-49	n.a.	n.a.	n.a.	One-year contract. (UMW, Dist. 50)
St. Louis, Ill.	WE	\$.05 hr.	11-21-49	n.a.	n.a.	n.a.	Contract is for 18 months. Increase retroactive to 10-15-49. Two cents hour to be used for paid sick leave plan to be worked out by company and union. (Int. Chemical Workers, AFL)
American Lead Company..... Indianapolis, Ind.	WE	\$.045 hr.	7-1-49	48	\$1.18 hr. laborers	9-26-48	One additional paid holiday bringing total to eight. (Int. Union Mine, Mill and Smelter Workers, CIO)
The Neville Company..... Pittsburgh, Pa.	WE	\$.07 hr.	9-25-49	90	\$1.39 hr.	5-23-48	Adjustment of rate ranges—additional 1¢ hour. (UMW, Dist. 50)
Southern States Phosphate and Fer- tilizer Company	S	\$15 mo.	10-1-49	50	n.a.	n.a.	(No union)
Savannah, Ga.	WE	\$.08 hr.	11-9-49	n.a.	n.a.	n.a.	(Int. Union Mine, Mill and Smelter Workers, CIO)
Swift and Company..... Plant Food Division	WE	\$.06 hr.	9-12-49	50	\$1.01 hr. male	5-5-48	(Int. Chemical Workers, AFL)
Baltimore, Md.					\$.79 hr. female		
<i>Food and Allied Products</i>							
California & Hawaiian Sugar Refining Corp.	WE	\$.10 hr.	n.a.	n.a.	n.a.	n.a.	Contract expires 8-31-50. Employees to receive additional 7¢ hour for year ending 8-31-51. (Int. Longshoremen's and Warehousemen's Union, CIO; AFL union)
	S	\$8 bi-wk.	n.a.	n.a.	n.a.	n.a.	(Int. Longshoremen's and Warehousemen's Union, CIO; AFL union)
General Baking Company..... Steubenville, O.	WE	\$17.50 mo. \$.05 hr. across board	n.a. 6-20-49	n.a. 35 approx.	n.a. see remarks	n.a. 10-1-48	(No union) Seven hours' holiday pay replacing time and a half premium; six paid holidays. Previous rates: \$1.35 hour maximum; \$1.25 hour, middle; \$1.15 hour, male minimum; 97.5¢ hour, female mini- mum. (Bakery and Confectionery Workers Int. Union, AFL)
General Foods Corporation..... Maxwell House Division	WE	\$.08 hr.	3-25-49	90	n.a.	n.a.	One additional paid holiday—Columbus Day. (Int. Longshoremen's Ass'n, AFL)
Hoboken, N. J.							
General Mills, Inc. Vallejo, Calif.	WE	\$.05 hr.	8-1-49	220	n.a.	n.a.	(Amer. Fed. Grain Millers, AFL)
Kankakee, Ill.	WE	\$.07 hr. average	11-8-49	68	n.a.	n.a.	(United Gas, Coke and Chemical Workers, CIO)
	S	\$.07 hr. average	11-3-49	20	n.a.	n.a.	(United Ass'n Journeymen and Apprentices, Plumbing and Pipe Fitting Industry, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—NOVEMBER 15 TO DECEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Food and Allied Products (Continued)</i>							
H. J. Heinz Company..... Muscatine, Ia.	WE	\$.03 hr. male \$.025 hr. female	n.a.	218	n.a.	n.a.	Retroactive to 5-23-49. Contract expires 2-1-51, provides wage reopening for 1950. Affects maintenance and production workers. Settlements made in several other Heinz plants, affecting 15 or less warehousemen and drivers. (Amal. Meat Cutters and Butcher Workmen, AFL)
Salem, N. J.	WE	\$.04 hr. regular \$.025 hr. seasonal	n.a.	177 regular 750 seasonal	n.a.	n.a.	Retroactive to 5-1-49. Affects maintenance and production workers. (Amal. Meat Cutters and Butcher Workmen, AFL)
Montana Flour Mills Co..... Great Falls, Mont.	WE	\$.05 hr.	7-1-49	152	\$1.27 hr. base rate	7-1-48	(Amer. Fed. Grain Millers, AFL)
George T. Stagg Company..... Frankfort, Ky.	WE	\$.10 hr.	12-13-49	600	\$1.33 hr. male \$1.11 hr. female	12-13-48	(Distillery Rectifying and Wine Workers Int. Union, AFL)
<i>Metal Manufactures</i>							
Boeing Airplane Company..... Wichita Division Wichita, Kan.	WE	\$.05 hr.	11-6-49	n.a.	\$.95 to \$2.10 hr.	1-1-49	(Int. Ass'n Machinists, Ind.)
Hartford-Empire Co..... Standard Knapp Division Middleton, Conn.	WE	\$.05 hr.	10-10-49	355	\$.95 to \$1.90 hr.	9-1-48	(Int. Ass'n Machinists, Ind.)
Magnetic Metals Company..... Camden, N. J.	WE	\$.055 hr.	7-1-49	95	n.a.	n.a.	Two additional holidays making a total of eight. Blue Cross Hospitalization, \$35 maximum weekly benefit (for temporary disability). (United Electrical, Radio, Machine Workers) (No union)
Master Electric Company..... Dayton, O.	S	4%	8-1-49	20	n.a.	n.a.	(United Electrical, Radio, and Machine Workers)
	WE	\$.03 hr.	10-1-49	1,035	n.a.	7-1-48	Applicable to employees earning \$6,000 a year or less. (No union)
	S	\$.03 hr.	10-1-49	226	n.a.	7-1-48	
*Proctor Electric Co..... Philadelphia, Pa.	WE	\$.114 hr.	n.a.	400	n.a.	n.a.	Announced 11-25-49. Also one paid holiday making a total of seven; a union shop; checkoff; improved vacation and seniority benefits; inequity adjustments of from 3¢ to 8¢ hour. Workers to be paid for time lost in handling grievances. (Int. Union Electrical, Radio and Machine Workers, CIO)
Ryan Aeronautical Company..... San Diego, Calif.	WE	\$.03 hr.	10-24-49	1,236	n.a.	n.a.	Six paid holidays. (UAW-CIO)
		\$.03 hr.	10-17-49	95	n.a.	n.a.	(United Aircraft Welders, Ind.)
<i>Metals</i>							
The Baldwin Locomotive Works.... Standard Steel Works Div. Lewiston, Pa.	WE	\$.055 hr.	12-1-49	2,550 approx.	\$1.435 hr.	8-1-47	Contract expires 12-31-51. Noncontributory pensions, including Social Security, of \$100 month to employees 65 years old with 25 years' service. A proportionate amount to those with less than 25 years' service. Improved social insurance program: 5¢ hour—cost shared equally by employer and workers. (United Steelworkers, CIO)
West Bend Aluminum Co..... West Bend; Hartford, Wis.	WE	\$.05 hr.	10-18-49	985	\$.86 hr. minimum \$1.72 hr. maximum	3-19-48	Also six paid holidays; increased insurance benefits. (UAW, AFL)
<i>Paper and Allied Products</i>							
Shellmar Products Corporation..... Mt. Vernon; Zanesville, O.	WE	\$.05 hr.	9-18-49	775	n.a.	9-18-48	Eligibility for holidays changed from 5 weeks' service to 150 working days. (United Paperworkers, CIO)
Southern Paperboard Corp..... Port Wentworth, Ga.	WE	\$.01 hr. average	9-8-49	500	n.a.	n.a.	Contract expires 9-8-50. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
Zellerbach Paper Company..... Los Angeles, Calif.	WE	\$.06 hr.	8-16-49	100	\$1.22 to \$1.36 hr.	8-16-48	(Int. Longshoremen and Warehousemen, CIO)
<i>Public Utilities</i>							
Columbus and Southern Ohio Electric Company Columbus, O.	WE	4.58%	10-1-49	675 approx.	\$1.33 hr.	10-1-48	Contract expires 9-30-50; provides a reopening clause as of 1-2-50 for further discussion on pensions, with the right to strike. (Transport Workers Union, CIO)
Edison Saulte Electric Co..... Saulte Ste. Marie, Mich.	S	5%	n.a.	n.a.	n.a.	n.a.	(No union)
	WE	\$.025 hr.	10-21-49	71	n.a.	10-21-48	(UMW, Dist. 50)
	S	\$5 mo.	10-21-49	19	n.a.	10-21-48	(UMW, Dist. 50)
Public Service Co. of Colorado..... Denver, Col.	WE	7.5%	6-1-49	1,592	\$1.376 hr.	6-1-48	(Int. Bro. Electrical Workers, AFL)
	S	7.5%	6-1-49	1,058	\$1.337 hr.	6-1-48	(No union)

A—WAGE INCREASE ANNOUNCEMENTS—NOVEMBER 15 TO DECEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Retail Trade</i>							
Lucky Stores, Inc. Oakland, Calif.	WE	\$.05 hr.	10-20-49	309	\$1.625 hr.	9-19-48	(Retail Clerks, Int. Ass'n, AFL)
Safeway Stores, Inc. Washington, D. C.	WE	\$.15 hr.	11-1-49	240	n.a.	n.a.	Five-cent premium night pay to city drivers and helpers. (Int. Bro. Teamsters, Chauffeurs, Warehousemen, Helpers, AFL)
*John Wanamaker. New York, N. Y.	S	\$3 to \$5 week	12-1-49	1,900	\$53.75 wk. weighted average	n.a.	Weighted average after increase, \$57 week; increases retroactive to 2-49, result of reopening of three-year contract which expires in 1951. Contract also provides free biologicals, X-rays, chiropodist service and complete noncontributory hospitalization, medical and surgical services to employees and their families. Minimum wage is \$35 week. (Retail Clerks Int. Ass'n, AFL)
<i>Services</i>							
*Midtown Realty Owners Ass'n. New York, N. Y.	WE	\$.07 hr. approx.	2-4-50	5,000	n.a.	n.a.	Announced 12-20-49. Affects workers in loft buildings. Rates for 40-hour week, \$50 to \$56.83. (Building Service Employees Int. Union, AFL)
*Realty Advisory Board on Labor Relations New York, N. Y.	WE	\$.07 hr. approx.	4-21-50	12,000	n.a.	n.a.	Announced 12-16-49. Affects workers in 2,500 Manhattan loft and office buildings. Increase equivalent to \$2.75 for a 40-hour week. (Building Service Employees Int. Union, AFL)
*Rockefeller Center, Inc. New York, N. Y.	WE	\$.05 hr.	1-1-50	n.a.	n.a.	n.a.	Three-year contract. Also welfare benefit, amounting to 4¢ hour. New rates: \$52.50 week, minimum; \$62.69 week, maximum for 40-hour week. (Building Service Employees Int. Union, AFL)
<i>Stone, Clay and Glass Products</i>							
Huron Portland Cement Co. Detroit, Mich.	WE	\$.05 hr.	6-17-49	13	\$1.21 hr.	6-16-48	Increased group insurance, health and accident benefits. (United Gas, Coke and Chemical Workers, CIO)
Marblehead Lime Company. Chicago, Ill.	WE	\$.03 hr.	8-1-49	56 approx.	n.a.	8-1-48	(United Cement Lime and Gypsum Workers Int. Union, AFL)
<i>Textiles and Allied Products</i>							
Bern-Mar Company. Kingston, N. Y.	WE	\$.15 hr.	11-1-49	27	n.a.	n.a.	Also health and welfare programs. (Int. Ladies' Garment Workers, AFL)
Real Silk Hosiery Mills, Inc. Linton, Ind.	WE	6%	9-1-49	80	n.a.	n.a.	Three paid holidays: New Year's Day, Thanksgiving, Christmas. (United Construction Workers, UMW)
<i>Transportation</i>							
Chicago and Calumet District Transit Company Hammond, Ind.	WE	\$.05 hr.	8-1-49	332	\$1.55 hr.	3-1-48	To receive additional 5¢ hour 1-1-50. (Amal. Ass'n Street, Electric Railway and Motor Coach Employees, AFL)
	S	\$.05 hr.	8-1-49	29	n.a.	3-1-48	To receive additional 5¢ hour 1-1-50.
Columbus Transportation Company Columbus, Ga.	WE	\$.03 hr.	10-1-49	153	n.a.	n.a.	Affects operators and mechanics. Result of wage reopening of two-year contract. (Amal. Ass'n Street, Electric Railway and Motor Coach Employees, AFL)
Fifth Avenue Coach Co. New York City Omnibus Corporation New York, N. Y.	WE	\$.05 hr.	7-1-49	3,400	see remarks	5-1-48	Contract expires 12-31-50. Previous rates: \$1.50 hour single-deck bus operators; \$1.60 hour double-deck bus operators; \$1.69 hour shop mechanics, 40-hour week; \$1.53 hour N.Y.C.O.C. and \$1.62 hour F.A.C.C.—garage mechanics, 48-hour week. Vacation benefits: 3 weeks after 10 years. Present vacation benefits: F.A.C.C. 1 week after 6 months; 2 weeks after 2 years; N.Y.C.O.C.—1 week after 6 months; 2 weeks after 3 years. Pension plan effective 1-1-50 similar to that in effect for a limited number of Omnibus employees who qualified for pensions up to 1-31-48. (Transport Workers Union, CIO)
*Greater Cincinnati Truck Drivers. . Cincinnati, O.	WE	see remarks	12-11-49	2,000	n.a.	n.a.	Increases: 7¢ hour retroactive to 11-15-49 effective for 14 months; 5¢ hour provided for following 12 months. Also six paid holidays a year. Cost slightly less than 3¢ hour per employee. Affects 125 companies. (Int. Bro. Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
Pan American Airways, Inc. San Francisco, Seattle and certain overseas stations	WE	\$.06 hr.	7-1-49	77	see remarks	4-1-48	Contract can be reopened for wages 12-1-50. Previous rates \$1.19 to \$1.53 hour, port stewards; \$1.42 to \$1.85 hour, senior port stewards. (Transport Workers Union, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—NOVEMBER 15 TO DECEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Transportation (Continued)</i>							
The Shepard Company..... Providence, R. I.	WE	\$.04 hr.	10-1-49	33	<i>n.a.</i>	10-1-48	(Int. Bro. Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
*Trans World Air Line..... Chicago, Ill.	WE	4%	11-23-49	550	<i>n.a.</i>	<i>n.a.</i>	(Air Line Stewards and Stewardesses Ass'n, AFL)
*Truck Drivers..... Cleveland, O.	WE	\$.08 hr.	11-24-49	7,000	<i>n.a.</i>	<i>n.a.</i>	Increase retroactive to 11-16-49. Also .25¢ raise in mileage rates and 5¢ hour more after 14 months. Noncontributory health and welfare program—cost \$1 week for each employee. This agreement was already in effect in 11 states other than Ohio. (Int. Bro. Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
<i>Miscellaneous</i>							
Ames Baldwin Wyoming Co..... West Wyoming, Pa.	WE	\$.05 hr.	11-7-49	26	\$.98 hr.	10-6-48	(United Construction Workers, UMW)
J. A. Bently Lumber Company..... Zimmerman, La.	WE	\$.12 hr.	11-1-49	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	(Int. Woodworkers, CIO)
Johns-Manville Corporation..... Waukegan, Ill.	WE	\$.04 hr.	9-29-49	1,900	\$1.49 hr. average	9-29-48	(Int. Chemical Workers Union, AFL)
Stanolind Pipe Line Co..... Tulsa, Okla.	WE	\$.005 hr.	7-1-49	95	<i>n.a.</i>	<i>n.a.</i>	Cost of living allowance of 17.5¢ discontinued and 18¢ hour added to base rates. (Employees' Ass'n of Stanolind Pipe Line Co., Eldorado & Gorham Kansas Districts, Ind.)
*United Mine Workers..... Ky.; W. Va.	WE	\$.95 day	1-1-50	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	In addition, 15¢ rise from 20¢ to 35¢ a ton in the royalty paid by the industry into the Miners' Welfare Fund. Contract expires 9-1-51 and provides a 5-day week. Unions said cost of agreement will be 23¢ a ton. Several small companies in Ky. and W. Va. are affected. (UMW)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metal Manufactures</i>				
*Ford Motor Company..... Detroit, Mich.	S	3-1-50	25,000	A \$100 monthly pension, including Social Security, to employees 65 years old with 30 years' service, to be paid by company. Employees earning over a set amount, tentatively \$3,600 year, may join a plan for additional benefits by bearing half the cost.
*Kaiser-Frazer Corp. Detroit, Mich.	WE	n.a.	12,000	Announced 11-22-49. Company to pay 6¢ hour into a pension fund which will provide a minimum payment of \$100 month, including Social Security to workers 65 years old. Pension fund extends until 11-11-54. Contract also provides a revised social insurance program. Effective until 5-11-52. This fund which will now cost the company 7.67¢ hour instead of 5¢ hour per employee, provides free hospitalization and surgical benefits, sick and accident disability benefits of \$30 week for a maximum of 26 weeks and \$2,000 life insurance. (UAW-CIO)
McQuay Norris Manufacturing Company Electric Products Division St. Louis, Mo.	WE	10-25-49	45	Contract expires 9-1-50. Group Insurance Plan cost to company \$4.85 month per employee. This covers group life, accident and sickness, hospitalization and surgical insurance. (Int. Ass'n Machinists, Ind.)
*Mesta Machine Company..... West Homestead, Pa.	WE	n.a.	3,000	Announced 12-3-49. Voluntary contributory pension plan available to employees between 30 and 61 with 2 or more years' service. Plan provides benefits of approx. \$128 month, including Social Security, to employees with 20 years' service; and \$161 for those with 35 years' service—granted that monthly earnings have averaged at least \$300. Other proportionate retirement benefits. Cost to employee—3% of pay up to first \$500 a month earned. Cost to company—balance estimated at 6% of worker's pay. (No union)
*Mine Safety Appliances Co. Pittsburgh, Pa.	WE	n.a.	700	Announced 12-18-49. Noncontributory pension, including Social Security, of \$100 monthly minimum to employees 65 years old with 30 years' service. Those with less than 30 years' service but with at least 15 years' will receive proportionate pension. New contributory social insurance program; life insurance approximating one year's earnings; permanently and totally disabled employees insured for at least 1 year will receive the amount of insurance in installments. Sickness and accident benefits increased from 13 to 26 weeks. Payments increased to \$26 week. Hospitalization provided for 31 days with the daily allowance increased from \$5 to \$7.50. Additional hospital expenses increased from \$25 and \$75. An extra \$15 for ambulance service. The new plan provides \$175 for surgical benefits and affects both employees and their dependents. (No. union)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metal Manufacturers (Continued)</i>				
Otis Elevator Company..... Yonkers, N. Y.	WE	10-1-49	1,600	Contract expires 9-30-51. Increased group insurance from \$1,250 life to \$2,000 for all hourly paid employees. Accident and hospitalization benefits increased from \$15 for 13 weeks to \$26 for 26 weeks. Company now also pays half cost of hospital and surgical-medical coverage. (Int. Union Electrical, Radio, Machine Workers, CIO)
Owens Illinois Glass Co..... Mach. Parts Mfg. Div., Alton, Ill.	WE	10-1-49	300	Contract expires 9-30-50, provides 3 paid holidays. Rates effective 9-1-48: \$1.08 hour, minimum; \$1.77 hour, maximum. (Int. As'n Machinists, Ind.)
*Timken Roller Bearing Co..... Ohio (5 cities)	WE	12-12-49	10,000	Noncontributory pensions, including Social Security, of \$100 monthly minimum to employees 65 years old with 25 years' service. Improved social insurance program. (United Steelworkers, CIO)
<i>Metals</i>				
*Aluminum Company of America..... Alcoa, Tenn.; New Kensington, Pa.; Bauxite, Ark.; Bridgeport, Conn.; Badin, N. C.; Richmond, Ind.; Detroit, Mich.; Mobile, Ala.; Edgewater, N. J.	WE	12-7-49	16,000	Noncontributory pensions, including Social Security, of \$100 monthly minimum to employees 65 years with 25 years' service. Also a broadened social insurance program. New benefits—noncontributory, but those already in effect continue to be contributory. Social insurance benefits include: a \$2,000 life insurance policy while employed and \$1,500 death benefit insurance after retirement; sickness and accident benefit of \$26 week for 26 weeks; hospitalization benefits of \$8.50 day; miscellaneous hospital expenses—\$85; surgical benefits, to \$225. Wage rates vary from plant to plant. (United Steelworkers, CIO)
Armco Steel Corporation..... Baltimore, Md.	WE	11-18-49	1,000 approx.	Noncontributory pensions. Social insurance program—cost to company 2.5¢ hour. Contract expires 12-31-51. (United Steelworkers, CIO)
Continental Steel Corporation..... Kokomo, Ind.	WE	12-1-49	2,000 approx.	Contract expires 1-31-52. Pensions closely following Bethlehem Plan. Social insurance program cost 5¢ hour per employee—2¢ paid by employer, balance by employees. (United Steelworkers, CIO)
The Cooper-Bessemer Corporation..... Grove City, Pa.	WE	n.a.	1,700	Result of wage reopening of 6-1-47 contract. Contract expires 9-1-50, provides a pension plan and group insurance program. Cost to company 5¢ hour and 2.5¢ hour respectively. (United Steelworkers, CIO)
Northwestern Steel & Wire Co..... Sterling, Ill.	WE	11-16-49	1,800	The same social insurance and pension programs as Bethlehem Steel. Contract expires 12-31-51. (United Steelworkers, CIO)
U. S. Metals Refining Company..... Carteret, N. J.	WE	10-27-49	1,825	Contract expires 10-30-50. Pension plan. Increase of 1.5¢ in medical, surgical and hospitalization insurance. (Int. Union Mine, Mill, Smelter Workers, CIO)
*Weirton Steel Company..... Weirton, W. Va.; Steubenville, O.	WE	11-28-49	13,000	Contributory pension and social insurance programs. Pensions including Social Security equal a minimum of \$100 month. The new social insurance plan effective 1-1-50 replaces the existing plan started in 1936 and includes life insurance, sickness and accident insurance and hospitalization and surgical benefits. Cost to company and employees for all types of coverage 60% and 40%, respectively, of the cost. Workers previously paid \$6.15 month as compared with the present payment of \$5.40 month. Sales offices and members of management also affected by agreements. (Weirton Ind. Union)
The Youngstown Sheet and Tube Co. Youngstown, O.; E. Chicago, Ind.	WE	11-9-49	21,000	Contract expires 12-31-51, provides a pension plan and a social insurance program. (United Steelworkers, CIO)
<i>Paper and Allied Products</i>				
Beach and Arthur Paper Co..... Modena, Pa.	WE	8-18-49	114	Contract expires 8-18-50. Three days' leave with pay for death in immediate family. (United Paperworkers, CIO)
Container Corporation of America..... Anderson, Ind.	WE	9-13-49	200	Contract expires 7-21-50, provides: 60-day reopening clause, double time and a half for holidays worked. (United Paperworkers, CIO)
Rhineland Paper Co..... Rhineland, Wis.	WE	6-1-49	850	Contract expires 6-1-50. Common labor rate effective 6-1-48, \$1.21 hour. Insurance program extended. Company pays 80% of premium—previously 65%. Sickness benefits increased from \$18 for 13 weeks to \$25 for 26 weeks for male employees; from \$12 week to \$18 week for 26 instead of 13 weeks for females. (Int. Bro. Pulp, Sulphite, Paper Mill Workers, AFL; Int. Bro. Papermakers, AFL)
Wrenn Paper Company..... Middletown, O.	WE	10-10-49	n.a.	Contract expires 10-10-50. Four additional paid holidays. Company agreed to pay 66-2/3% of Group Insurance—previously paid 50%. (United Paperworkers, CIO)
<i>Miscellaneous</i>				
*American Radiator & Standard Sanitary Corp. Tiffin, O.; Trenton, N. J.; Kokomo, Ind.; San Pablo and Torrance, Calif.	WE	11-24-49	n.a.	Noncontributory pensions of \$100 month to employees 65 years old with 25 years' service. Social insurance program. Cost to employer 3¢ hour, to workers 2.5¢ hour. (National Bro. Operative Potters, AFL)
*Bell Telephone System..... Interstate	WE	11-16-49	600,000	Noncontributory pensions, including Social Security, of \$100 monthly minimum to employees 65 years old with 20 years' service. Those retiring before 65 will receive \$75 month. The previous minimum pension of \$50 month, excluding Social Security, had been in effect since 1-1-46.
*Clothing Manufacturers Ass'n of the U. S. A.	WE	1-1-50	150,000	Noncontributory pensions, including Social Security, of a \$100 monthly minimum to employees 65 years old. This pension payment increases the payment scale by an average of \$20 month. Cost of fund to employers continues to be 3% of weekly pay roll because the fund, established in 1947, can support itself. A further increase in Social Security payments will increase the benefits under the men's and boys' clothing industry pension plan and not decrease the employers' costs. The contract also provides a broadened noncontributory social insurance program which costs the employers 2% of weekly pay rolls. (Amal. Clothing Workers, CIO)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Miscellaneous (Continued)</i>				
Heywood-Wakefield Co..... Gardner, Mass.	WE	10-1-49	1,050	Contract expires 10-1-50. Additional paid holiday—making a total of three. (United Furniture Workers, CIO)
Lovell Manufacturing Company..... Erie, Pa.	WE	11-17-49	600	Contract expires 11-17-50. Ten cents hour applicable to insurance and pensions. Liberalization of vacation benefits. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
*John Morrell and Company..... Ottumwa, Ia.; Topeka, Kan.	WE	<i>n.a.</i>	<i>n.a.</i>	Announced 12-13-49. Male common labor rates remained at \$1.15 hour. Spread between higher brackets increased from 2.5¢ to 3¢ hour. Liberalized vacation, sick leave and holiday. (United Packinghouse Workers, CIO)
*New Jersey Laundries..... Newark, N. J.	WE	2-2-50	<i>n.a.</i>	Contract effective until 7-6-51. Inside production workers guaranteed a 40-hour week. Employers can make temporary shifts in jobs if necessary to fill out the 40-hour week for individuals. Operating engineers and maintenance men will have a reduced work week without a pay reduction. Drivers benefited by insurance and six paid holidays. (Int. Bro. Teamsters, Chauffeurs, Warehousemen and Helpers, AFL; Laundry Workers Int. Union, AFL)
Plomb Tool Company..... Los Angeles, Calif.	WE	8-12-49	210	Contract expires 7-1-50, provides: two additional paid holidays, making a total of six; vacation pay in advance; one year seniority after lay-off; notification of call-back by registered letter with three days in which to report. (Metal Trades Council, AFL; Int. Ass'n Machinists, Ind.; Int. Bro. Blacksmiths, AFL; Metal Polishers, Buffers, Platers and Helpers, AFL)
Pine Oil Company..... Comfort, W. Va.	WE	8-22-49	140 approx.	Contract expires 8-22-50. Paid holidays, double time if worked. Effective 1-1-50, two weeks' vacation after one year's continuous service; four weeks' vacation for 25 or more years' service. (Oil Workers Int. Union, CIO)
Sloane-Blabon Corp..... Trenton, N. J.; Philadelphia, Pa.	WE	7-1-49	1,460	Company to pay 6¢ hour per employee into pension fund, beginning 1-1-50. Noncontributory pensions including Social Security of \$100 month to employees 65 years old with 20 years' service. No pension for less than 10 years' service. Pension plan shall not be subject to collective bargaining for five years from 1-1-50. Contract expires 6-30-51. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
Sta-Rite Ginnie Lou, Inc..... Shelbyville, Ill.	WE	7-1-49	500	Accident and health insurance. Three weeks' vacation after 10 years. Contract expires 6-30-50. (Int. Chemical Workers, AFL)

C—No Change in Wage Structure

Company	Type of Worker ¹	No change		Remarks
		Date Effective	Number Affected	
<i>Chemicals and Allied Products</i>				
Celanese Corporation of America..... Belvidere, N. J.	WE	8-16-49	135	Contract expires 8-16-50. Retention of seniority during furlough extended 60 days. (UMW, Dist. 50)
Koppers Company..... Granite City, Ill. Mo.-Ill. Furnaces	WE	7-1-49	525	Contract expires 7-1-50. Rate effective 7-1-48, \$1.195 hour. Third shift differential increased 2¢ hour. (Int. Chemical Workers, AFL)
<i>Metals and Manufactures</i>				
*Associated Spring Corp..... Wallace Barnes Division Bristol, Conn.	WE	10-10-49	1,150	Contract expires 10-1-50. Reopening clause after 1-31-50 for negotiations on hospitalization, medical care, disability benefits, death benefits, accident and health benefits, pensions and wages. (UAW, CIO)
Bassick Company..... Bridgeport, Conn.	WE	9-2-49	n.a.	Contract expires 9-3-50. Vacation pay for employees laid off after 1-1-49, based on hours worked from 6-1-48. (United Electrical, Radio and Machine Workers)
The Bristol Brass Corp..... Bristol, Conn.	WE	8-1-49	n.a.	Contract expires 8-1-50. Minimum rates: \$1.20 hour, lowest class; \$1.47 hour, highest class. (Progressive Metal Workers Council, CIO)
Colonial Radio Corporation..... Buffalo, N. Y.	WE	9-1-49	1,200	Contract expires 6-30-51. Provides for a wage reopening once during life of contract. (United Electrical, Radio, Machine Workers)
Lunkenheimer Company..... Cincinnati, O.	WE	11-29-49	1,100	Present contract extended until 4-15-50 because of recent losses in earnings by company. A union official said losses in profits have been caused largely by an extensive modernization program by the company. (United Steelworkers, CIO)
<i>Paper and Allied Products</i>				
The Diamond Match Company..... Ogdensburg, N. Y.	WE	6-4-49	n.a.	Contract expires 6-4-50. Current rates: 82¢ hour, female; 92¢ hour, male. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
Plattsburg, N. Y.	WE	10-4-49	80 approx.	Contract expires 10-3-50. Current rates: 89¢ hour, female; 99¢ hour, male. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
<i>Miscellaneous</i>				
Kellogg Company..... Battle Creek, Mich.	WE	8-1-49	2,700	Contract expires 4-1-51. (American Fed. Grain Millers, AFL)
Linen Thread Co. Baltimore, Md.	WE	8-1-49	500	Contract expires 8-1-51. Preferential maintenance of membership checkoff. (United Textile Workers, AFL)

¹Type of worker: WE, wage earner; S, salaried employee.
*Obtained from press reports—information not verified.
n.a. Not available.

DORIS K. LIPPMAN
Statistical Division

Group Insurance

(Continued from page 4)

between the onset of illness and the time that benefit payments begin. In the case of nonoccupational accidents, many plans provide that benefits shall begin immediately, since accidents are relatively infrequent and usually last more than a few days.

Many illnesses are of short duration, however, and can be financed by the employee without inflicting hardship. A short waiting period has frequently induced employees to remain away from work longer than necessary in order to obtain benefits. Therefore a waiting period of a few days may add substantially to absenteeism unless there is close supervision over reported cases of illness.

Table 6 indicates that the most prevalent practice is to require a seven-day waiting period for sickness, but none for accident. In 1949, a larger proportion of the plans (36.3%) require a seven-day waiting period for both accident and illness than in 1945 when it was 22.8%.

Over 80% of the plans require a waiting period of seven days if the disability is caused by illness, while under 52.8% of the plans there is no waiting period if the disability is caused by accident. In seven plans, the employee is paid for the waiting period if he is incapacitated for a specified period.

DURATION OF BENEFITS

All insurance companies limit the number of weekly benefit payments which may be granted for a continuing disability, but benefits for incapacities from unrelated causes are given as frequently as disabilities occur. An exception is made to this policy in the case of employees over sixty years of age. These older workers are allowed, during a twelve-month period, aggregate benefits equal to the maximum ordinarily allowed for a continuing disability.

In 1945, most insurance companies were limiting the maximum duration of the disability benefit to thirteen weeks, and accordingly, most of the plans of that period, or 93% of the total, had that maximum duration. At present, the number of plans which provide a maximum of thirteen weeks is still in the majority (72%), but the number with a twenty-six weeks' maximum has risen from 2% to 22%. Five plans pay benefits for an entire year, while in four the maximum is only ten weeks.

PREGNANCY

Benefits are given for pregnancy in most group health and accident plans (83%). In this case, however, benefits are paid only for six weeks. In about half of the plans, women employees are required to wait nine months after enrolling before they are

eligible for pregnancy benefits. This prevents women from taking jobs for the sole purpose of getting these benefits. In about a quarter of the plans, this waiting period applies only to women hired after the plan's adoption. An equal number of plans do not require any waiting period for a woman employee to be eligible for this benefit. Some of these plans, however, require that if the woman does not join when she becomes eligible, she must wait for a year before she can receive these benefits.

PREMIUM RATES

The insurance company will not quote rates for a given plan until it has analyzed the composition of the working force. Standard rates have been set up which apply to the better classes of risk where all conditions are favorable and there is no special health hazard. The standard rates of one insurance company follow:

Minimum Monthly Premium Rates per \$10 of Weekly Health and Nonoccupational Accident Benefits

Payments Commence		Limit to Weeks of Payment		
Accident	Sickness	10	13	26
8th day	8th day	\$.54	\$.60	\$.80
4th day	4th day	.71	.77	.97
1st day	8th day	.59	.66	.86
1st day	4th day	.74	.80	1.01

These rates will be increased if there is an unusually large number of older people. They will also be higher if the percentage of women employees exceeds a specified proportion, because of their higher morbidity rate. The same holds true of non-Caucasian employees. The rates are also increased if the industry is considered hazardous.

TERMINATION OF COVERAGE

The insurance coverage terminates automatically when an employee leaves his job. There are no conversion privileges as in the case of life insurance. It is also terminated when an employee retires, or is permanently laid off. Comparatively few plans gave information as to the status of the disability benefit

Table 6: Waiting Period for Benefits

Waiting Period	Companies	
	Number	Per Cent
None for accident, 7 days sickness.	98a	46.2
7 days, both accident and sickness.	77b	36.3
None for accident, 3 days sickness.	14	6.6
3 days, both accident and sickness.	14c	6.6
3 days for accident, 7 days sickness.	4	1.9
Not specified.	5	2.4
Total.	212	100.0

a In one company, paid for waiting period if out more than 14 days. In one company, waiting period 14 days for salaried employees. In 2 companies, 7 days waiting period for pregnancy.

b In 4 companies, paid for waiting period if out more than 30 days.

c In one company, paid for waiting period if out more than 14 days.

in the event of temporary layoff. Of those which outline these conditions, about half provide that the benefits will be kept in force until the end of the month following the month in which the layoff occurs. The other half extends the period for one month.

In the few plans which give the conditions under which the benefits will be continued in the event of leave of absence, approximately the same policies as for temporary layoff apply. The underwriting rules of many insurance companies provide that this coverage terminates if the employee is granted a leave of absence.

PAY FOR WAITING PERIOD—WAGE EARNERS

Twenty-two companies, or 10% of the total, pay their wage earners from company funds for the waiting period under the insurance plan. The majority of these paid sick-leave provisions provide for a maximum of five days (four companies) or one week (twelve companies) at regular pay. In a few companies, the full waiting period is not paid for. For example, one employer gives half of the regular compensation for the second and third day and full pay for the succeeding days of the waiting period. In another company, the employee is given three-fourths pay for the fourth and fifth days of disability only. In two companies, the wage earner is entitled to two weeks' paid sick leave per year in addition to the insurance benefits.

SUPPLEMENTS TO BENEFITS—WAGE EARNERS

In addition to the insured benefits to which the employee is entitled, four companies supplement these payments under a formal paid sick leave plan. Under three of these plans, the wage earner is paid half pay but the maximum period for which these payments are made are based on length of service. The other employer provides for supplemental benefits of twenty days' full pay per year, plus unused portions for the two preceding years.

PAID SICK LEAVE—SALARIED EMPLOYEES

The practice of paying salaried employees for the waiting period under the insurance program is much more widespread than that for wage earners, as might be expected. Only two companies definitely state that salaried employees are not paid for this period, while another seven have not developed any regular policy. All the remainder continue the salaried employees' regular compensation during this period, although in three companies the employee must have been at work for six months before he is eligible for this payment.

Continuation of Salary

All but nine of the 138 companies (93.5%) which include salaried employees in the group insurance

Table 7: Company Policies in Paying Regular Compensation to Salaried Employees in Addition to Benefits under Group Disability Insurance

Policy	No. of Companies	Per Cent of Companies
Paid full time for:.....	22	15.9
2 weeks.....	6	4.3
2 weeks; half pay for 2 weeks.....	1	0.7
1 month.....	1	0.7
1 month; half pay for 1 month.....	1	0.7
20 days.....	1	0.7
21 days; half pay for 42 days.....	1	0.7
13 weeks.....	4	3.0
6 months.....	2	1.4
Indefinite period, usually for period of disability.....	5	3.6
Paid difference between full salary and insurance for:.....	5	3.6
1 week.....	1	0.7
2 weeks.....	1	0.7
Difference to maximum of 2 weeks' full.....	1	0.7
1 month.....	1	0.7
13 weeks.....	1	0.7
Length of duration paid based on length of service.....	42	30.4
Maximum amount—full pay.....		
1 week each year of service.....	1	0.7
2 weeks each year of service.....	1	0.7
3 weeks full pay, 2 weeks half pay.....	1	0.7
1 month each year of service.....	1	0.7
1 month full pay, 6 months half pay.....	1	0.7
4 weeks.....	1	0.7
8 weeks.....	2	1.4
12 weeks full pay, 38 weeks half pay.....	1	0.7
13 weeks.....	4	3.0
26 weeks.....	3	2.2
39 weeks.....	1	0.7
Maximum amount—difference.....		
1 week.....	2	1.4
1 month.....	1	0.7
6 weeks.....	1a	0.7
Graduated on basis of length of service, no details.....	21	15.2
No salary paid while receiving insurance.....	9	6.5
No definite policy.....	58	42.0
	138	100.0

aHalf pay.

program continue all or part of the employee's compensation while he is receiving the insurance benefits. There is no uniformity in company policy as to how much or how long the disabled salaried employee shall receive these company payments. The largest single group of employers has not developed any formalized program regarding the payment of salary to ill employees, but the duration and amounts depend entirely upon the merits of the individual case.

Half of the companies have developed a formal procedure to pay their salaried employees all or part of their regular compensation while they are ill. These payments vary from one week's pay (minus insurance benefits) to six months' pay (in addition to insurance benefits). No single practice predominates in this group, although the largest number give two full weeks' pay. Approximately one third of the companies base the duration of the company payments on the employee's length of service. The sched-

ules are different in each case. The company benefit is shown in Table 7.

More than four times as many employers give the employee his full salary, than pay the difference between normal salary and the insurance benefits during periods of disability.

POLICIES ON EXTENDED DISABILITIES

Among the problems which may rise is the treatment of employees who have received the maximum benefits payable for a continuing disability and are unable to return to work. Should the company provide supplemental benefits under such circumstances? Nearly three fourths (72.4%), do not. In over a fifth (22.8%), the company may grant supplemental benefits after the employee ceases to receive insurance benefits, but on the basis of individual need and merit.

Three companies report that such an employee would receive a disability pension if he met the basic requirements of the pension plan. Two companies have a paid sick leave in addition to the insurance program, and the employee continues to receive payments from that source until these benefits, too, are exhausted. Only one company has a formal plan for the extension of benefits when the disabled employee has reached the end of his insurance coverage. In this case the company continues benefits of the same amount he received from the insurance company for another thirteen weeks.

If the employee is totally and permanently incapacitated, he comes under the disability provisions of the life insurance feature.

F. BEATRICE BROWER
Division of Personnel Administration

Merit Rating

(Continued from page 7)

don't know now who is right. It doesn't make any particular difference. I am going to be watching you more closely from now on, and I am going to see if you are right or if I am right."

This is a technique to motivate the employee. If he has been bluffing, and if he knows we are right, he has committed himself by his disagreement. In most cases we will find an improvement.

MR. OLANDER: The supervisor needs to be trained to interview properly. Interviewing calls for real skill, and the supervisor should observe certain fundamentals. He should be a good listener. He should draw the employee out and get his reaction. He should not argue.

The interview offers the supervisor an excellent

opportunity to ask the employee, "How am I doing my job? What do I do that you don't think is right?"

We are dealing with the trickiest thing and the most complex thing in the world, the human mind. We all know that we can mask our reactions by an expression, but we have to get behind that. Unless there is a wholehearted acceptance on the part of the employee and a feeling of mutual helpfulness, we are not getting what we set out to get.

CHAIRMAN BENNETT: Doesn't it take special training to learn to interpret to an employee the unfavorable aspects of his rating without arousing a lot of antagonism and resentment?

MR. JURGENSEN: I think very definitely a lot of training is required. Some can be given in groups but probably an individual type of coaching is the more effective.

CHAIRMAN BENNETT: Merit rating ought to work as a sort of production incentive. Who has had experience in this area?

MR. CANNON: Merit-rating systems are frequently tied in with the wages. One of the biggest incentives to production is money, and it is a very good tie-in. It can be used where you have a rating range. That is the normal procedure in offices. It has also been applied in factory systems. The first rating is automatic. From there on the individual advances according to his merit-rating scores.

CHAIRMAN BENNETT: Our topic today is "What Makes Merit Rating Tick?" What other angles do you have on this question?

KNOW THE WORKER

MR. DRIVER: It seems to me that merit rating involves two things—first, the collection of facts about what people are actually like and how they are doing and, second, the interpretation of those facts.

I do not blame a union a bit, and I do not blame management for feeling apologetic and not wanting to support a merit-rating plan where they know that interpretations have been made without the facts. I have had my experience in dealing with supervisors that they do not always have the facts.

If we are going to make merit rating work, it seems to me that our supervisors who are doing this job have to be more observant. They have to know more about what people are actually doing, and that takes time. It takes effort, it takes training.

MR. RADOM: In all of these discussions about merit rating, what you are really trying to do, I assume, is to place people in some order of preference.

I would be the first one to object to a program which views people in terms of numbers because it could lead to saying you take a man because he has a number. Nevertheless, numbers are much easier to understand than words. If the thing you have can

ve you a numbering method, so that you can place people from top to bottom in some sort of order, I think you have something that is easier for people to understand.

This is what we have actually done, and we have called it the forced choice method. The reason we have called it this is because those using the rating form are forced to make a choice of a number of statements, and these statements have been developed by the people themselves who are being rated.

Simply, it is this: There are certain words which describe the people who are the best people in the group, and there are certain words and phrases which describe the people at the bottom. If the supervisor is forced to choose and if he chooses words of praise which always occur in the top group, in effect he is giving plus values in that determination.

CHAIRMAN BENNETT: In terms of the department store sales employee, Mr. Atkinson, what characteristics would you recommend rating?

RATING FACTORS

MR. ATKINSON: There is an analogy between merit rating and quality control. What we are really concerned with is personnel quality control, and merit rating is a technique or an effort to establish personnel quality control.

However, in setting quality control you have to set goals, and you have to have means of measuring progress toward those goals. Now if you know what your goals are, you ought to be able to set the standards.

I can give you quickly, from a couple of samples here, what we think we are trying to rate. For example, in the sales-clerk form, we rate interest in the customer, alertness to service, merchandise knowledge and the use made of it, grooming, cooperation with fellow workers and supervisors, accuracy, the employee's use of knowledge of our sales system, the performance of stock work, which is the housekeeping part of the job, and general reliability, conscientious adherence to store rules and regulations.

And then not rated but recorded as a statistical fact, attendance and volume of business written.

CHAIRMAN BENNETT: There is just one other question I would like the panel to talk about before we throw the meeting open. Here it is: If you were advising a person who did not have experience in merit rating on how to install a procedure, what kinds of general suggestions would you make?

MR. RADOM: I would say that this is a field that is rather technical. If you want to get a good job done, get yourself a good technician. Don't think you can go off and get a bunch of books, including the excellent reports by our hosts here, and develop something which will work for you. I think you would

have to make it for yourself, by whatever method you think best in your whole situation; but get a professional to do it with you. You will save time, and you will have a much better result in the end.

Questions from the Audience

QUESTIONER: How frequently should the merit rating form be completed during the course of the year?

FREQUENCY OF RATINGS

MR. OLANDER: I think it is very important that the new employee be interviewed on a "how-are-you-getting-along" basis thirty days after he is hired. Then he should be interviewed again three months afterwards, and then six months afterwards, and then we go on to the yearly basis. It is important that the newcomer be interviewed often, not only to help him get along, but by helping him get along the company gets a better employee, better production, and so on. But if he is unsatisfactory, then action should be taken one way or the other. We all suffer with problems of not taking action soon enough on an undesirable or inefficient employee.

MR. RADOM: I think we should understand that the word "new" means also a new job, not only a new employee. If a supervisor or superintendent is leaving a group to go to some other job, a higher job or transfer, when he leaves he ought to leave behind him a complete report on every employee. Otherwise he gives that job to the fellow coming in who does not know the people.

QUESTIONER: If the union refuses to accept merit rating as a basis for promotion, layoff, etc., and the management nevertheless wants to use merit rating for other purposes, is merit rating still a valuable function in management?

MR. ATKINSON: The union's opposition to merit rating applies only to the extent that it affects the status of the union members. If you have a problem, I assume you want to know about it, and one of the better methods for knowing about a personnel problem is the merit-rating system. When you come to the question of whether merit ratings are to be the basis for merit increases, then you get into a whole complicated field, not only of union-management relations, but law. You have recent dicta that unions have a right to negotiate merit increases under certain circumstances. You have the impact on your labor contract of layoffs and the matter of seniority.

I would say that even though there are some respects in which you do not get the full freedom to use your results, it is well worth while to know what your problems are and to deal with them where you can and as effectively as you can.

QUESTIONER: I would like to know how you would reduce or avoid the element of sympathy influencing the merit increase. A man has been employed for years and it seems only natural that his supervisor wouldn't want to put into writing anything that might jeopardize his position.

"FORCED CHOICE" METHOD

MR. RADOM: The new method we are attempting to work out is trying to do just that, eliminate one of the effects of bias, in this case bias in favor of the employee. Let me just read you some of the things that he has to do, and then you can see what I am talking about. I am taking just one block of questions at random, and these are all mixed up. There is no conformance of high or low or anything else. You have to pick out one of these items: (1) opinionated, (2) has ability to advance in the company, (3) has had several near accidents, (4) patient and understanding, (5) somewhat unstable.

These don't seem to have any relation to each other, and that is the whole idea in this plan.

CHAIRMAN BENNETT: For the benefit of those who are not familiar with the forced choice method, a block of five descriptive phrases is offered at one time, and the rater is required to indicate one of these phrases as being the most characteristic of the ratee and another as the least characteristic.

MR. RADOM: That is essentially correct. Having done that, the person who makes these choices has no way of knowing, unless he has the key to the thing, whether he has picked the "right" ones. As a matter of fact, as a test, we have given this form to people and said, "Now, pick out a good friend of yours and see if you can give him a good score," and they can't do it. Likewise, we say, "Pick out somebody to whom you want to give a bad score," and they can't do it.

You can bring the low person up to an average, perhaps a little higher, and you can bring a good person down a little, but if the phrases that are selected for these people stand up—and they do stand up by test—it is impossible to do it. We think the bias part of it just begins to go out the window.

QUESTIONER: If everybody gets such good ratings that the average rate of pay comes close to the maximum, how do you keep this in check?

MR. ATKINSON: If it is working right, you are getting your money's worth.

Seriously, if your rating reflects superior performance, and your range is correctly related to the value of the work being done, that is all right. You can set certain policies and relationships. For example, you can assume, if you divide your range into equal thirds, that you will permit a person to advance to the top of the first third, given satisfactory ratings, but no higher than that. But if he is above average, he can

go to the second third, and to reach the top third he must be outstanding.

That is a perfectly proper way to relate salary progress to performance, assuming, of course, that you do not have collective bargaining problems which distort the whole structure for you.

Training Can Help

(Continued from page 10)

will spearhead a program intelligently, one custom built to fit the company's particular situation.

PREPARATION FOR CITIZENSHIP

Training can and should help prepare all levels of employees for citizenship responsibilities, not merely for job proficiency. Industry cannot do the whole job. Schools and colleges, adult education, volunteer organizations all have their part.

Every business and industrial organization is in itself a social organization, a community in the midst of society. The way a business acts as a community has a powerful influence on citizenship. A management which fails to maintain in balance the interests of stockholders, employees, customers and the public equips its critics with a powerful propaganda weapon. It fails to live up to its citizenship responsibilities.

Management must make work experience satisfying, it must be a working democracy itself. It cannot teach one set of principles and practice another. It must stand the critical appraisal of its own teachings.

The future of private enterprise, the maintenance of democratic ways of living together, even the opportunity of management to remain as management depend in large measure on management's philosophy and actions.

TRAINING AS AN INVESTMENT

The role of training is long range, not merely for today's problems or even next year's. Its plans should be laid to meet needs five, ten, even twenty years ahead.

When training does provide for long-range needs that part of its financial requirements is not this year's operating expense but an investment in the future just as surely as buildings and equipment, and research and product development are investment in the future.

One job of the training director is to help management recognize the value of such long-range investments.

In brief, the role of training and education is as broad as the concerns of management which can be minimized or solved through changing the behavior of persons.

That is a big enough job to challenge any group!

The Conference Board

MANAGEMENT RECORD

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In the Record

The Union of Contention

A by-product of the recent expulsion of the UE from the CIO is the knotty problem of who gets the members—and their dues.

Among management men, heads are grayed over the question of what to do with checkoff money. Should they hand it over to the established UE officers, even though a majority of their people are strongly inclined toward the new IUE-CIO? Or should they place the money in escrow to await the outcome of a possible NLRB election?

Meanwhile, the employers are caught between the UE and the IUE-CIO. Some have decided to sit tight, while others have found a way out. The methods and procedures (if any) of these firms are battled pro and con in the article beginning on the following page.

• • •

Little Men with Big Personalities

Maybe rough and tough, maybe small and friendly—but loaded with personality are the little cartoon figures who represent their big organizations in advertisements, reports, and handbooks. Like all children of proud parents, these company offspring have brought many compensations during their adventurous sallies into the world of employee and community relations. Our article this month tells how they are getting on in their special jobs. Turn to page 64 to meet Allegheny Al, Elesco Joe, Danny Diesel and the rest of the boys.

• • •

How Fares the White Collar Worker?

The gals who punish typewriters for a living and their sisters (and brothers) in the clerical field are chalking up modest gains, according to the Board's latest survey. Salaries late in 1949 were better than in the spring by an eyelash (1.3%). The West Coast cities apparently have more than just a salubrious climate to offer, too, as their salaries rank well ahead of other regions.

The organized sector of labor, meaning, of course, the factory workers, are not static either. Of ninety-three contract settlements noted by THE CONFERENCE BOARD from mid-December to mid-January, over one half provided wage increases, with a third calling for benefits only. The others were renewed without change except for one contract which settled for a decrease in wages.

While hourly wage rates for industrial workers hit another new high in December, the cost of living index declined a little, multiplying the advantage of those whose wages or salaries were still rising. Articles beginning on pages 59, 71 and 72 review in more detail the developments highlighted here.

• • •

Keeping the Bookshelves Bare

When the solution to a problem—from a technical stickler to a radio mystery figure—is no further away than the company library, it is easy to see why the “library habit” is currently being reborn in countless numbers of employees. Ever eager to attract new readers and keep the old ones coming back, today's company library makes sure it gets its share of publicity and has even developed special services to please individual interests. The story beginning on page 52 tells how some libraries have achieved genuine usefulness and easy familiarity.

• • •

On His Own Time?

When is an “executive” not an executive? As far as the Wage and Hour Division is concerned, the answer seems to be when he is paid less than fifty-five dollars a week.

One company, faced with a wholesale reevaluation of its personnel in the light of the new regulations, prepared a check list to guide its supervisors through the tangled undergrowth of legalese. Proper use of this check list makes it easy to determine whether a man is exempt from overtime payment. It is given in full starting on page 48.

• • •

Polishing the Top Brass

A far cry from the reluctant schoolboy is the modern executive attending an advanced training program such as those offered in several large universities here and in Canada.

These programs are long-term and the executives selected usually live in at the university. Expenses run high when the cost of salary (the average student at Harvard's AMP is a \$15,000-a-year man) is added to tuition and upkeep. But results are good. The roster of former students reads like a “Who's Who” of American business leaders.

Several well-known “advanced” management training programs are described in the article on page 55.

Impact of UE vs IUE-CIO Fight

A NO MAN'S LAND has been created in the plants of hundreds of employers with UE contracts because of the civil war between the CIO-expelled United Electrical, Radio and Machine Workers of America (UE) and the newly created International Union of Electrical, Radio and Machine Workers of America (IUE-CIO).¹

The battle will not be over until NLRB elections decide the issue: declare what is UE territory, what is IUE-CIO territory. In the meantime, collective bargaining in plants with UE contracts is in a state of suspension. As evidenced by a Conference Board survey of 136 companies:

1. The state of representation is still indeterminate. Local union elections give the new IUE-CIO the edge, but the validity of local elections is still questionable. The IUE-CIO is concentrating on large plant units. (Table 1.)

2. Money from checkoffs is not flowing where it used to; escrow is the word for checkoff in thirty-four companies. But the UE, as incumbent contract holder, is still getting the major share of checkoff monies. (Table 2.)

3. Grievance procedures are disrupted. The state of affairs in some plants is similar to that of Georgia when it had two governors: one in the lobby and the other in the main office of the state house. (Table 2.)

4. Wage negotiations, for the most part, just aren't.

IUE-CIO LEADS

First and foremost, the survey shows that insofar as the allegiance of the workers is concerned, the

¹For background of this fight, see "Left-Right Fight in CIO" and "Trends in Labor Relations," *The Management Record*, December, 1949, pp. 514 and 526.

IUE-CIO definitely has the edge, according to replies received from 136 companies. In almost one third of the companies surveyed, the local union membership voted in favor of affiliating with the new IUE-CIO. This compares with one fourth of the companies in which the local membership voted to stay with the UE.

In those cases in which no local membership vote for affiliation has been held, fifteen cooperators report that the majority of workers seem to favor the new IUE-CIO, as compared to thirteen who report that the majority seem to favor remaining with the UE. (Table 1.)

NLRB VOTE THE KEY

Preference for the IUE-CIO is indicated by workers in fifty-seven (41.9%) plants as compared to forty-seven (34.6%) for the left-wing UE. But union membership votes for IUE-CIO or UE affiliation may be misleading. Many elections are conducted at union meetings at which perhaps as little as 5% or 10% of the workers in the bargaining unit may be present. Insofar as the employer is concerned, in no way could he be certain that 10% speak for the other 90% of his employees.

The crucial test may have to be the new NLRB certification election. For many plants, such elections may be several months off, especially if there are NLRB hearings. Here the activities of the UE and IUE adherents between now and the NLRB certification elections may be controlling. A number of cooperators report that where the right-wing IUE-CIO won local union affiliation votes, the left-wing UE is dumping money and manpower into trying to bring the local back into the UE fold. In other cases, cooperators report that left-wing UE elections were

TABLE 1: LOCAL UNION STAND IN THE UE vs. IUE-CIO FIGHT IN 136 COMPANIES

(As of January 15, 1950)

	Number of Companies, by Employees per Establishment						
	Total		Under 250	250 to 999	1,000 to 4,999	5,000 and over	Total Number of Employees in Bargaining Units
	No.	%					
Local membership voted for IUE affiliation.	42	30.9	14	14	12	2	42,764
Local membership voted for UE affiliation..	34	25.0	12	15	7	....	19,584
Majority seem to favor IUE.....	15	11.0	6	6	3	....	10,144
Majority seem to favor UE.....	13	9.6	7	3	3	....	8,900
Split within local.....	4	2.9	1	3	....	....	1,970
Local is seeking other affiliation.....	2	1.5	2	....	....	....	160
Local's stand not known.....	26	19.1	11	10	5	....	14,153
Total companies.....	136	100.0	53	51	30	2	97,675

¹Does not include General Electric Company or Westinghouse Electric Corp.

TABLE 2: EFFECT OF UE vs. IUE-CIO FIGHT ON COLLECTIVE BARGAINING AND UNION CONTRACT PROVISIONS IN 136 COMPANIES

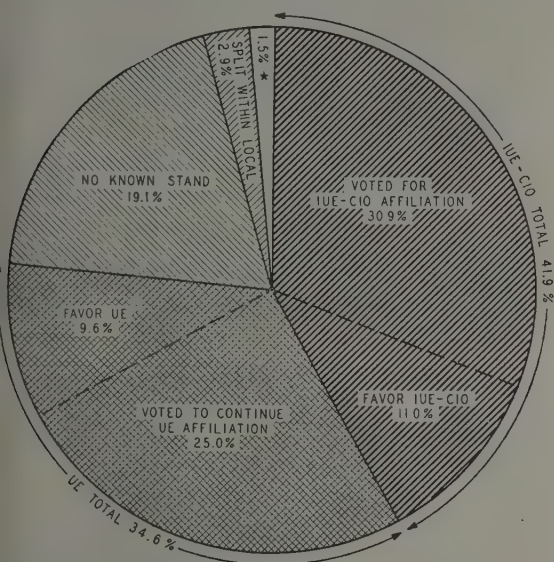
(As of January 15, 1950)

	Total		Submission of Representation Question to NLRB						Effect on Checkoff								Effect on Grievance Procedure		
	No.	%	Submitted to NLRB by ¹				Not Submitted	No Answer	Check-off Provided	Checking Off Dues to:				Check-off Suspended	Check-off Not Provided	No Answer	UE, IUE Fight Over Stewards?	No Dispute Over Stewards	No Answer
			IUE-CIO	UE	Employer	Total				UE	IUE-CIO	Money in Escrow	Total						
Total companies.....	136	100.0	26	1	19	35	99	2	131	84	10	34	128	3	4	1	12	115	9
Local membership voted for IUE-CIO.....	42	30.9	21	1	16	23	13	1	42	4	10	26	40	2	...	...	7	32	3
Local membership voted for UE.....	34	25.0	1	...	1	1	33	...	32	31	...	...	31	1	1	1	...	30	4
Majority seem to favor IUE-CIO.....	15	11.0	2	...	2	4	10	1	14	12	...	2	14	...	1	...	2	13	...
Majority seem to favor UE.....	13	9.6	...	...	...	...	13	...	13	11	...	2	13	...	...	...	...	13	...
Split within local.....	4	2.9	1	...	...	1	3	...	4	2	...	2	4	...	...	...	1	3	...
Local is seeking affiliation other than UE or IUE.....	2	1.5	...	...	...	...	2	...	2	1	...	1	2	...	...	...	...	2	...
Local's stand not known.....	26	19.1	1	...	...	1	25	...	24	23	...	1	24	...	2	...	2	22	2

¹Figures not mutually exclusive.²One company has two groups of officials claiming representation; others have two groups of officials sitting in on proceedings; still another will recognize those who were

officials prior to the fight; some conduct grievances solely between company and individual.

Indicated Local Union Stand in UE vs. IUE-CIO Fight in 136 Companies



* MEMBERSHIP SEEKING OTHER AFFILIATION

triggered by packed union meetings. In such cases, right-wing IUE-CIO supporters are continuing their activities with a showdown NLRB election as the crucial test.

PLANTS SPLIT WIDE OPEN

In some plants, both the left-wing UE and the right-wing IUE-CIO held union meetings. In the UE meeting the vote was for remaining with UE. In the right-wing IUE meeting the vote was for switching affiliation to the IUE-CIO. In the case of four plants,

the respective size of the vote in both factional meetings was so nearly even as to indicate a definite split within the local.

In two instances, the local union membership is seeking affiliation with unions other than the UE or IUE-CIO. In the case of a midwestern machinery manufacturer, the outside union was the UAW-CIO. He reports:

"Recently, the UE petitioned for an election. The UAW-CIO intervened. The workers were given a choice on the ballot between UE, UAW-CIO and 'no union.' Results were approximately 4-3-1, with first choice to UAW-CIO, second to UE and third to 'no union'."

WORKERS TAKE WAIT-AND-SEE ATTITUDE

Nineteen per cent of the locals have taken no known stand at this time, according to the companies. (Table 1.) Some of these locals may be awaiting the outcome of what happens in the case of larger national employers and locals. This is reported by an electrical manufacturer:

"Our local all along has been on the anti-Communist side of the discussions that are going on within the UE. However, they are not too sure what is the best thing to do. Their decision for the present has more or less been to ride along and see what happens."

Some companies claim that the representatives of neither the IUE-CIO nor the UE have approached their local and therefore no plant controversy is evident.

IUE-CIO GETS LARGER UNITS

The survey indicates that the new CIO union has gained sway with the large membership blocks. In the 1,000 to 5,000 size group the IUE-CIO has twelve companies while the UE has seven. In the 5,000 and

TABLE 3: EMPLOYERS' STAND ON UE *vs.* IUE-CIO FIGHT
(As of January 15, 1950)

	Total		Submitted Issue to NLRB	Will Submit Issue to NLRB	Sit Tight, Let Union Take Action	Await Develop- ments	Other ¹	No Answer
	No.	%						
Total companies.....	136	100.0	19	6	73	7	3	23
Local membership voted for IUE-CIO.....	42	30.9	16	....	17	1	1	7
Local membership voted for UE.....	34	25.0	1	....	22	2	1	8
Majority seem to favor IUE-CIO.....	15	11.0	2	2	8	1	....	2
Majority seem to favor UE.....	13	9.6	....	....	12	....	....	1
Split within local.....	4	2.9	....	....	3	....	....	1
Local is seeking affiliation other than UE or IUE.....	2	1.5	....	1	1	....	....	....
Local's stand not known.....	26	19.1	....	3	15	3	1	4

¹One company signed with UE, another with IUE-CIO and a third said that they will honor contractual obligations.

over group the IUE-CIO has two, the UE none. (Table 1.)

For the present, Carey's new CIO union seems to be concentrating on larger units. A number of smaller cooperators report that while they have received telegrams requesting recognition of the IUE-CIO from Carey's office, the IUE-CIO representative has made no personal debut. Lacking anything more than a telegram, most of these smaller manufacturers are continuing to deal with the UE officials located in their plants.

ELECTION REQUESTED IN IUE-CIO PLANTS

An important issue dealt with in Table 2 is the submission of the representation question to the National Labor Relations Board. The table shows that practically all of the NLRB election cases will be in the plants of those companies whose employees voted to shift allegiance to the newly formed IUE-CIO. Of the thirty-five companies reporting that the question of representation has already been submitted to the NLRB, thirty-two are plants in which the employees show a preference for the IUE-CIO. Twenty-six of the election petitions were made by the IUE-CIO and nineteen by the employer. Ten of these employer petitions were joint employer-union agreements for consent elections.

EMPLOYERS FAVOR SIT-TIGHT POSITION

As might be expected, employers are trying to remain nonpartisan. While nineteen of them have submitted the issue to the NLRB and six say that they will shortly do so, seventy-eight companies, or more than half, write that they will sit tight and let the union take action. Of the seventy-eight companies that favor a sit-tight position, thirty-four are companies whose local membership indicate that they prefer to remain with the UE while twenty-five are employers whose workers indicate they want to switch to the IUE-CIO. (Table 3.)

One midwestern manufacturer reflected the viewpoint of a large number of the sit-tight group when he declared:

"Our company is taking an absolutely neutral stand.

When our people decide which way they want to go, we will be guided by whatever the majority vote for."

Some companies whose employees have voted to switch to the IUE-CIO feel as if they are sitting on a powder keg. Only a quick NLRB decision, they feel, will help their situation. One such employer writes:

"The campaign between the unions has not as yet developed any violence, although considerable bitterness exists between the factions. The usual and expected charges of 'union-busting' and collusion between the company and the IUE-CIO have been made by UE, together with charges that any change will mean the loss of all contractual benefits to the employees. Consequently, we are hoping for a swift resolution of the dispute and a return to some semblance of normalcy, realizing that even then our union relations problems may be difficult unless the choice is completely decisive."

Some employers feel that they are not alone in the IUE-UE crossfire. They feel that their employees also may be caught in the middle. To quell some of this bewilderment, employers in several of these companies are writing to employees' homes assuring them that contractual obligations will be adhered to while the controversy is on.

UE GETS LION'S SHARE OF MONEY

Checkoff authorizations and the dues that flow from them are prized trophies in the UE *vs.* IUE-CIO local skirmishes. Practically all the contracts—131 of 136—provided for checkoffs. The UE, as incumbent contract holder, is drawing the lion's share of the funds. Employers in eighty-four companies are forwarding dues as required by their UE contracts. But in ten companies where IUE sentiment has been particularly high, employers are honoring newly filed checkoff authorizations that called for the IUE to get dues. (Table 2.) How this was done is reported by one manufacturer:

"All employees in the bargaining unit have signed new IUE-CIO checkoff cards. Although the November dues checkoff to the IUE-CIO was held up, it and the December payment of dues have now been made to the IUE-CIO local union."

(Continued on page 87)

Wages With the Fringe on Top¹

TO MANY people, the fourth round means two things: a five-cent wage increase and pensions. But was this a nation-wide pattern? How widespread were the increases? How often were pensions adopted? After following 576 contracts through a year of reopenings, extensions, delays and final settlements, THE CONFERENCE BOARD finds no wage pattern emerging as distinct as those that came out of the other three rounds.

1949 NEGOTIATIONS

Wages

In close to half of the negotiations, employers and union leaders have signed contracts that do not provide wage increases. An additional 6% signed short-term extensions of their previous contracts. In slightly less than four out of ten contracts have the negotiators agreed to a wage boost. As the year came to a close, one out of ten of the contracts were still being negotiated—some were in the process of negotiations for several months.

For the 229 negotiations in which employer and union leaders agreed to a wage boost, five cents leads. That was agreed upon in half of the contracts that call for an hourly wage boost.

Employee Benefits

New or liberalized employee benefits were agreed upon by the parties in one out of four negotiations.

¹Highlights of a forthcoming *Study in Personnel Policy* on wage and benefit settlements in 1949.

Of the 135 contracts involved, sixty-four also provide for a wage boost. The employee benefit most frequently agreed to is group insurance. Pensions were agreed upon in only one out of seventeen contracts. Sixteen of the thirty-four pension agreements were signed since the steel fact-finding board's report.

New Holidays

New holidays were called for in eighty-eight contracts. Twenty-seven contracts provided for unworked paid holidays for the first time. Sixteen of these provided for the standard six holidays a year. Forty eight contracts provided for additional paid holidays over and above the standard six previously granted. Addition of Washington's Birthday or Armistice Day was most common.

Vacations

A new or more liberalized vacation plan resulted from 139 negotiations. In 61 of these, the employer and union negotiators signed for longer vacations for long-service employees. A third week of vacation for fifteen years' service was added in almost half of these contracts. Liberalizing vacation benefits for employees with three years' service or less was accomplished in seventeen additional contracts.

Industry Patterns

In nonmanufacturing industries wage boosts prevailed. Wages were increased in fifty out of fifty-seven public utility companies, in six out of seven re-

TABLE 1: STATUS OF 576 CONTRACTS RENEGOTIATED OR REOPENED FOR WAGES BY UNIONS

January 1 to December 31, 1949

Contract Status	Total		AFL		CIO		Ind.	
	No.	%	No.	%	No.	%	No.	%
Total	576	....	201	....	278	....	97	....
Wage increase granted	229	39.8	114	56.7	81	29.1	34	35.1
Also: New or liberalized fringe items.....	134	23.3	59	29.3	52	18.7	23	23.8
New or liberalized employee benefits.....	64	....	24	....	30	....	10	....
New holidays.....	39	....	16	....	16	....	7	....
Change in pay rates for holidays worked..	16	....	7	....	7	....	2	....
New or liberalized vacation plan.....	78	....	33	....	32	....	13	....
No fringe items added.....	95	16.5	55	27.4	29	10.4	11	11.3
No wage increases	258	44.8	71	35.3	133	47.9	54	55.6
But: Fringe items added.....	134	23.3	39	19.4	71	25.6	24	24.7
New or liberalized employee benefits.....	71	....	17	....	43	....	11	....
New holidays.....	49	....	17	....	21	....	11	....
Change in pay rates for holidays worked..	9	....	3	....	4	....	2	....
New or liberalized vacation plan.....	61	....	16	....	31	....	14	....
No fringe items added.....	124	21.5	32	15.9	62	22.3	30	30.9
Contract extended for short term	37	6.4	2	1.0	30	10.8	5	5.2
Parties still negotiating at end of year ..	52	9.0	14	7.0	34	12.2	4	4.1

TABLE 2: AMOUNTS OF GENERAL WAGE INCREASES SPECIFIED IN 229 UNION CONTRACTS, JANUARY 1, 1949-DECEMBER 31, 1949

Industries	Total in Sample ¹	Total Giving Increase	Hourly Increases ^a						Monthly Increases	No. of Flat Percentage Increases
			2.5 Cents and Under	2.6-4.9 Cents	5 Cents	5.1-7.9 Cents	8-10.9 Cents	11 Cents and Over		
Total	576	229	8	28	75	24	31	9	13	40
Manufacturing total	487	159	8	25	67	16	19	5	2	17
Aircraft parts and accessories.....	12	7	..	..	7 ^a	..	..	..	..	..
Automotive.....	21	3	..	1	1	..	1	..	..	..
Building materials.....	20	11	..	..	1	1	..	1	..	7 (6.5%) 1 (3.5%) 1 (5.5%) 1 (5.0%)
Chemicals.....	46	27	1	6	13	1	4	..	..	..
Electrical.....	40	16	1	4	6	2	3	..	..	..
Explosive.....	1	1	..	1	..	..	..	..	..	..
Food.....	24	14	..	4	6	..	2	1	1 (\$10)	..
Glass.....	4	1	..	..	1	..	..	..	..	..
Instruments.....	4	1	..	..	1	..	..	..	..	..
Leather.....	7	2	..	..	1	..	..	..	..	1 (1.4%)
Lumber.....	6	1	..	..	1	..	..	..	..	..
Machinery.....	91	27	1	3	16	3	2	..	..	2 (2.5%)
Metals.....	72	15	1	2	5	3	3	1	..	..
Paper.....	36	10	3	1	4	..	1	..	..	1 (7%) ^b
Petroleum.....	14	2	..	..	1	..	..	..	1 (\$3 to \$20)	..
Printing.....	7	6	..	..	..	1	..	2	..	2 (5%) 1 (6.9%)
Rubber.....	8	2	..	..	1	1	..	..	..	..
Soap.....	3	1	..	..	..	..	1	..	..	..
Shipbuilding.....	4	1	..	1	..	..	..	..	..	..
Textiles.....	20	1	..	..	1	..	..	..	..	..
Unclassified manufacturing.....	47	10	1	2	1	4	2	..	..	..
Nonmanufacturing total	89 ¹	70 ³	..	3	8	8	12	4	11	23
Public Utilities.....	57	50	..	2	4	4	10 ^c	1	2 (\$16) 1 (\$13.50) 1 (\$8.50 to \$17.50) 1 (\$17 journeymen; \$16 others) 1 (17 over \$300 mo.; \$16 less than \$300 mo.)	7 (5%) 5 (6%) 2 (7.5%) 2 (8%) 1 each: (4%) (5.3%) (5.5%) (6.5%) (6.8%) (7.8%) (8.1%)
Retail, wholesale ³	7	6	..	..	3	1	..	1	..	..
Transportation.....	19	12	..	1	..	3	2	1	1 (\$12) 1 (\$12.13) 1 (\$15) 2 (\$15 and \$10)	..
Unclassified nonmanufacturing.....	4	2	..	..	1	..	..	1	..	..

¹Total in sample column does not add to 576 because only those industries that gave wage increases appear in the column. Industries that did not give wage increases are: Banks, Communications.

²In eight cases, two or more increases by one company were averaged.

³One company granted increase but did not specify amount.

^aOne company gave 5 cents an hour to hourly employees, \$13 a month to salaried employees.

^b7% increase affected men only; women received 4 cents an hour.

^cOne company gave 10 cents an hour to hourly employees; \$25 month to salaried employees.

tail and wholesale establishments and in twelve out of nineteen transportation companies.

In manufacturing industries, more than half the contracts in building material, chemical, food and printing industries called for increases. In most other manufacturing industries a no-wage-boost pattern prevailed.

Union Pattern

In the wage settlements analyzed, AFL unions fared twice as well as CIO unions in getting wage increases: 57% of the AFL contracts upped wages as compared to 29% for CIO unions. Of the 133 CIO contracts that did not provide wage boosts, forty-

three provided new or liberalized employee benefits, twenty-one added new holidays, and thirty-one provided a more liberal vacation policy. Sixty-two of the 133 CIO no-wage-increase contracts, however, did not include any new fringe items.

Certain unions seem to have established definite 1949 policies. That of waiting is most characteristic of the CIO Automobile Workers. Its locals seem to be waiting for patterns to be established in the Big Three—Ford, Chrysler, GM. Of seventy-two UAW-CIO contracts, twenty are still being negotiated and sixteen are extended for a short term, making half of the UAW-CIO agreements still undecided. Only twelve of the seventy-two UAW-CIO contracts up

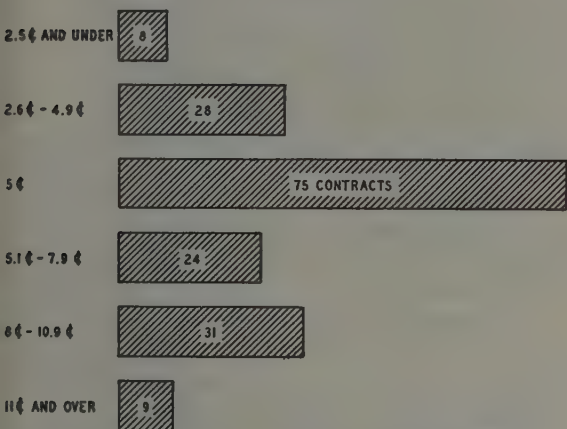
wage rates. In twenty-four cases employers and UAW-CIO negotiators signed agreements that do not boost wage rates. Of these, however, fifteen provide added fringe items.

While more than half of the CIO Steelworkers' agreements do not provide wage increases, most of them provide for new or liberalized employee benefits, such as pensions and group insurance.

Union patterns in some cases reflect industry patterns. In the public utility industry, wage increases were secured in fifty out of fifty-seven contract negotiations. In this industry, two unions predominate: the AFL Brotherhood of Electrical Workers, which has secured increases in thirty of its forty contracts, and the CIO Utility Workers, which has upped wages in five out of six contracts.

Amounts of General Wage Increases Specified in 175 Union Contracts Granting Hourly Wage Increases¹

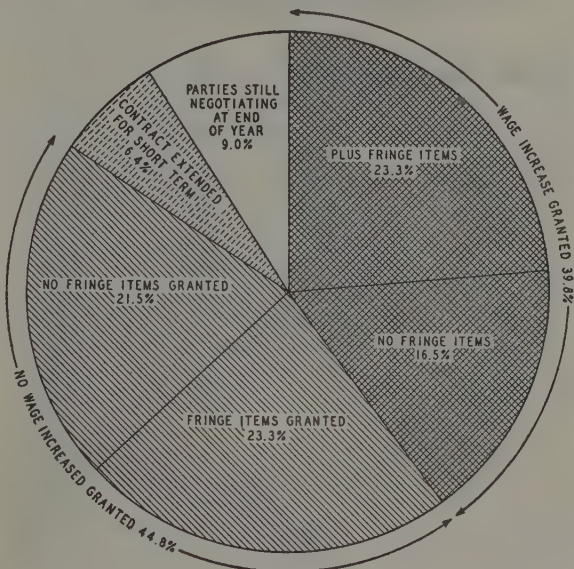
January 1, 1949 to December 31, 1949
Number of Contracts



¹In addition, 18 contracts granted monthly increases ranging from \$8 to \$20 a month and 40 granted percentage increases of 1.4% to 8.1%. Total granting increases is 229, one of which was not available.

Status of 576 Union Contracts Renegotiated or Reopened for Wages

January 1, 1949, to December 31, 1949



Increases have predominated among the following unions: United Electrical, Radio and Machine Workers, formerly CIO, and the Cement, Lime and Gypsum Workers, Printing Pressmen and Teamsters, all AFL unions. No wage increases have been the rule for the CIO Textile Workers and Oil Workers and for the AFL Pulp, Sulphite and Paper Mill Workers.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

DORIS K. LIPPMAN

Statistical Division

One from the Company, One from Outside

The scholarship award program of the International Minerals and Chemical Corporation is a community project as well as an employee relations activity. Four grants of \$600 are made each year—two in New Mexico and two in Florida, the sites of the company's largest operations. One of the two scholarships for each state may be awarded to an employee or the son or daughter of an employee. The second, however, may be given to a student who is not connected with the company in any way.

High scholastic performance, character, leadership and all-around citizenship, as well as the relative usefulness of the financial assistance, are considered in making the grants. A student may use his grant at

any accredited school in Florida or New Mexico and may enroll in any major field of study he desires. The scholarship is good for a total of four years. It is renewed each year after the initial award if the student maintains an average grade in the top third of his class and if he continues to receive faculty approval.

There are no strings attached to the awards, so far as the students' obligations to International Minerals are concerned. The recipient does not have to promise to work for the company, nor does the company promise employment after graduation. Several of the winners of scholarships (the first were awarded in 1947) have worked for the company during their summer vacations.

Using a Check List for Wage-Hour Exemption

NEW regulations, effective January 25, 1950, were recently issued by the Administrator of the Wage and Hour Division, defining the white collar groups exempt from the wage and hour provisions of the Fair Labor Standards Act. No important changes had been made in the old regulations in ten years and they were long in need of restatement. Some parts had grown out of date. The definition of an "executive" in terms of a person paid thirty dollars a week was unrealistic by 1950 standards. In other places the rules wanted rephrasing. Some of the criteria of exemption were defined very broadly and were difficult to apply. The new regulations are designed to correct these defects.

Employers subject to the act now face the task of reexamining, in the light of the new regulations, the work performed by each of their employees. Workers who do not qualify for exemption must be paid overtime for work in excess of forty hours a week. Whether an employee is exempt or nonexempt must be determined individually, and the classification cannot be made on the basis of the employee's job title. The Explanatory Bulletin just issued by the Administrator makes this clear. The introductory statement of the bulletin contains these words of caution:

"The exempt or nonexempt status of any particular employee must be determined on the basis of whether his duties, responsibilities, and salary meet all the requirements of the pertinent section of the regulation. The employee's title or class specification is of no significance in determining whether he meets these tests."

Consequently an employer who wants to avoid running the risk of violating the act has to look into the duties, responsibilities, and salaries of his employees. In some companies, responsibility for making this review is decentralized. Each department head is charged with seeing that all nonexempt employees under his direction are paid the overtime due them under the law. At the same time the management may also require him to see that exempt employees are not paid overtime or, if they are, only under carefully specified conditions.

Some organizations, however, are unwilling to saddle the individual supervisor with the responsibility for determining exempt or nonexempt status. The chances of error in classification and the possibility of unequal treatment of employees in different departments are very great. Some companies, of course, give the supervisor explanatory bulletins and quantities of interpretative material. But unless he is also given guidance

and assistance of a more positive kind, his classifying may tend to be perfunctory and the results haphazard. Status determinations made in this fashion invite trouble with the union and with the Wage and Hour Division.

One small company has devised a routine for checking employee status which is designed to avoid these difficulties. The characteristic feature of this routine is centralized guidance and control; its special gadget is a check list for each job as follows:

EXECUTIVE

Yes No

1. Does the employee's primary duty consist of the management of a customarily recognized department or subdivision of the company?..... ☐ ☐
2. Does he customarily and regularly direct the work of two or more other employees?..... ☐ ☐
3. Does he have the authority to hire or fire or are his suggestions and recommendations as to the hiring, firing, advancement and promotion or other change of status of employees given particular weight? (Check "yes" if either is true.)..... ☐ ☐
4. Does he customarily and regularly exercise discretionary powers?..... ☐ ☐
5. Does he devote no more than 20% of his hours in the work week to activities which are not directly and closely related to the performance of the work described above?..... ☐ ☐
6. Is his salary \$55 per week or more?..... ☐ ☐

or

7. Is his salary \$100 per week or more and does his primary duty consist of the management of a customarily recognized department or subdivision of the company, and include the customary and regular direction of the work of two or more other employees?..... ☐ ☐

ADMINISTRATIVE

8. Does his primary duty consist of the performance of office or field work directly related to management policies or general business operations of the company or its customers?..... ☐ ☐
9. Does he customarily and regularly exercise discretion and independent judgment?..... ☐ ☐
10. (a) Does he regularly and directly assist an employee employed in a bona fide executive or administrative capacity, or..... ☐ ☐
- (b) Does he perform under only general supervision work along specialized or technical lines requiring special training, experience, or knowledge, or..... ☐ ☐
- (c) Does he execute under only general supervision special assignments and tasks?... ☐ ☐
11. Does he devote no more than 20% of his hours to activities which are not directly or closely related

Yes No

to the performance of the work described in sub-sections (a) through (c) above? ☐ ☐

12. Is his salary \$75 per week or more? ☐ ☐

or

13. Is his salary \$100 per week or more, and does his primary duty consist of the performance of office or field work directly related to management policies or general business operations of the company or its customers, which includes work requiring the exercise of discretion and independent judgment? ☐ ☐

PROFESSIONAL

14. Does his primary duty consist of the performance of work:

(a) requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education and from an apprenticeship, and from training in the performance of routine mental, manual, or physical processes, or ☐ ☐

(b) original and creative in character in a recognized field of artistic endeavor (as opposed to work which can be produced by a person endowed with general manual or intellectual ability and training), and the result of which depends primarily on his invention, imagination, or talent? ☐ ☐

15. Does his work require the consistent exercise of discretion and judgment? ☐ ☐

16. In his work predominantly intellectual and varied in character (as opposed to routine mental, manual, mechanical, or physical work) and of such a character that the output produced or the result accomplished cannot be standardized in relation to a given period of time? ☐ ☐

17. Does he devote no more than 20% of his hours worked in the work week to activities which are not an essential part of and necessarily incident to the work described in 14 through 16 above? ☐ ☐

18. Is his salary \$75 per week or more? ☐ ☐

or

19. Is his salary \$100 per week or more and does his primary duty consist of the performance of work either requiring knowledge of an advanced type in a field of science or learning, which includes work requiring the consistent exercise of discretion and judgment, or requiring invention, imagination or talent in a recognized field of artistic endeavor? ☐ ☐

OUTSIDE SALESMAN

20. Is he employed for the purpose of, and is he customarily and regularly engaged away from the office in:

(a) making sales, or ☐ ☐

(b) obtaining orders or contracts for services? ☐ ☐

21. Does he devote less than eight hours a week to work of a nonselling or nonsoliciting nature? (Work performed incidental to or in conjunction with selling and soliciting is considered "exempt.") ☐ ☐

NOTE

Job is exempt under "Executive" if answer is "yes" to 1, 2, 3, 4, 5 and 6 or if "yes" to 7.

Job is exempt under "Administrative" if answer is "yes" to 8, 9, 11, 12 and 10(a) or 10(b) or 10(c) or if "yes" to 13.

Job is exempt under "Professional" if answer is "yes" to 15, 16, 17, 18 and either 14(a) or 14(b) or if answer is "yes" to 19.

Job is exempt under "Outside Salesman" if answer is "yes" to 21 and 20(a) or 20(b).

Classification is then made on the accompanying form.

DETERMINATION OF STATUS
UNDER
FAIR LABOR STANDARDS ACT

Job Title

Primary Duties:

Incumbent:

.....

.....

Check which applies: If job is exempt, check grounds:

Exempt ☐ Executive ☐

Nonexempt ☐ Administrative ☐

Professional ☐

Outside Salesman ☐

Date..... Signed.....

(Division Head)

Each division head of the organization makes out a check list for each of his employees. On it he lists the employee's primary duties. In describing the duties, the supervisor endeavors to bring out those aspects of the job on which exempt or nonexempt status hinges. For instance, he makes clear whether the job involves the customary and regular direction of the work of two or more other employees. He points out the extent of the discretionary powers required of the job. He indicates the percentage of the employee's hours which are devoted to activities not directly related to the primary duties.

(Continued on page 85)

Eating—American Plan¹

RINGING the dinner bell for employees is becoming an increasingly important function of large and small companies in all fields of business.

Food service facilities are selected to suit the requirements of individual companies. Those that have limited services often provide vending machines, lunch counters and lunch wagons that help employees obtain light lunches and between-meal refreshments. Smaller companies frequently furnish special dining space for workers who carry their lunches. Service dining rooms and cafeterias are available where a variety of hot and cold meals are served.

A cafeteria service is considered one of the most effective facilities for serving large numbers of persons rapidly and effectively. Of 138 companies surveyed by THE CONFERENCE BOARD, 73.9% have cafeterias. Four of these companies employ less than 250 persons. Twenty are very large companies as indicated in Table 1.

CAFETERIA OPERATION

Cafeterias are operated by the company, industrial food service contractors or individual operators. In a few cases they are conducted by employee associations.

Out of one hundred companies that submitted data on cafeteria operation, 56% manage their own cafeterias. They believe that this practice gives them a better chance to carry out program objectives and offer employees the types of services they can enjoy. Furthermore, they like to assume direct control over program administration, quality and variety of foods, cost of operation, extent of food purchases, menu planning and food prices.

Forty cooperators have contractor-operated cafeterias. This type of management is generally selected by companies that do not wish to operate services unrelated to their regular business. Many of them

¹This is taken from a forthcoming Conference Board Report on this subject.

Table 1: Distribution of Cooperating Establishments Having Cafeterias, by Size

Size of Company (Number of Employees)	Establishments	
	Number	Per Cent
1-249.....	4	3.9
250-499.....	15	14.7
500-999.....	19	18.6
1,000-1,999.....	20	19.6
2,000-4,999.....	24	23.5
Over 5,000.....	20	19.6
Total.....	102	100.0

believe cafeterias are more efficient and effective when they are managed by in-plant feeding specialists whose business is to plan, organize and operate company food services.

Only four companies have cafeterias that are conducted by employee associations. These associations employ their own cafeteria managers or use the services of industrial food service contractors or individual operators.

LOCATION AND LAYOUT

It is generally agreed that cafeterias should be centrally located or in areas where they may be easily reached by a large number of employees. In the majority of cases they are within reasonable walking distance of work areas, or near elevator services. Companies that have separate cafeteria buildings occasionally have work and cafeteria areas connected by tunnels or sheltered walks so that diners will be protected from cold and stormy weather.

Considerable attention is directed to the planning of kitchen, serving, and dining areas. Food service specialists point out the importance of constructing floors and installing equipment to insure proper sanitary and safe conditions in compliance with public health regulations.

Facilities for heat, light and ventilation, and available water supplies have to be studied to provide safe and satisfactory working conditions. Work units are planned so that food production and serving may be handled rapidly and efficiently.

Cafeteria space is generally divided into receiving, kitchen, storage, refrigeration, serving, dining, dishwashing, and food and waste disposal units. Bakeries and food service administration offices are found in a few companies. Locker and washroom facilities are needed for cafeteria personnel.

Serving Areas

Serving areas are usually next to the kitchen and joined by open doorways or swinging doors. Occasion-

Table 2: Cafeteria Meals Served in 98 Establishments

Practice	Size of Company (Number of Employees)						Total	Per Cent
	1-249	250-499	500-999	1000-1999	2000-4999	Over 5000		
Breakfast.....	2	4	5	11	15	13	50	51.0
Lunch.....	4	15	17	20	23	19	98	100.0
Dinner.....	1	3	8	5	13	10	40	40.8
Snacks.....	2	11	10	6	10	11	50	51.0

ally they are separated by curtains or counters. Adequate space is needed between food preparation and serving areas so that the flow of food will not be interrupted or delayed.

In the majority of cases, serving areas are arranged so that employees form serving lines as they come into the cafeteria, and enter or are near the dining room at line exits.

Dining Areas

Dining areas are usually simply furnished, well lighted, and reasonably quiet. Many of them are soundproofed, decorated with attractive color schemes and equipped to provide music.

In the majority of cases, employees are free to select their own dining space. This practice applies to all groups of personnel, including hourly workers, office personnel, supervisors and executives. Only a few cafeterias segregate men and women or allow employees to reserve dining space regularly.

SERVING HOURS

Serving hours are scheduled to meet company requirements. Plants that work three shifts often provide 24-hour service. All of the 98 cooperators that answered questions on this phase of operation serve lunch. As indicated in Table 2, breakfast is available in more than 50% of 98 companies; 51% provide between-meal refreshments. Dinner is served in 40.8% of the cases.

MENU PLANNING

Cafeteria menus are usually planned so that employees may select a variety of well-balanced meals. They generally include fruit or fruit juices, soup, salads, sandwiches, meat, vegetables, bread and butter, desserts and beverages, as indicated in Table 3. A wide variety of foods is not considered essential if

Table 3: Food Items Offered by Cafeterias in 100 Establishments

Items	Number of Establishments
Cereal.....	50
Fruit juice.....	75
Milk.....	100
Coffee.....	100
Tea.....	97
Chocolate.....	53
Sandwiches.....	99
Soup.....	100
Salads.....	99
Hot meats.....	97
Cold cuts.....	95
Vegetables.....	99
Bread or rolls.....	100
Fresh fruit.....	74
Pie.....	100
Cake.....	100
Custard.....	85
Pudding.....	93
Ice cream.....	98

Table 4: Types of Cafeteria Service in 95 Establishments

Practice	Size of Company (Number of Employees)						Total	Per Cent
	1-249	250-499	500-999	1000-1999	2000-4999	Over 5000		
Planned lunches..	0	3	1	4	2	5	15	15.8
Individual selection.....	3	6	11	13	16	10a	59	62.1
Combination of the two.....	1	9	7	11	9	9	46	48.4

aLimited in one company.

the items provided meet employee needs and preferences. In most cases menus are planned in advance to avoid repetition and monotony.

Meals are served à la carte, table d'hote and in combinations of the two. Types of services used in ninety-five establishments are shown in Table 4.

Lunch suggestions are often provided to help employees select suitable food combinations. Nutrition pamphlets, articles in employee publications, posters, and conferences with medical department personnel and dietitians are used for the same purpose.

Food prices are usually the same or lower than those charged by commercial cafeterias near the plant.

MOST CAFETERIAS LOSE MONEY

More than 53% of ninety-six cooperators expect to lose money on cafeteria operations, while 38.5% try to break even. Only about 8% are conducted for profit. Profits, if any, usually go to the food service contractor, individual operator or employee association, or they are used to reduce food prices or purchase new equipment.

ETHEL M. SPEARS
Division of Personnel Administration

Survey Shows Progress

To measure the progress of its personnel program in the last two years, the Erie Railroad recently conducted another employee attitude survey as a follow-up to one made in 1947. Both surveys were the written questionnaire type and practically all of the questions used in the first survey were used again in the second.

When compared with the first survey, the results of the second survey give the company a means of measuring the effectiveness of its efforts to improve its internal relations. The number of greatly dissatisfied responses have been reduced to a bare minimum in many areas.

Erie's management is greatly encouraged by these results.

Accent on Service in Company Libraries

THE TROUBLE at the Hoosier Chemical Company¹ was too many libraries. More exactly, too little use of their contents. Practically all of the executives had in their offices books which had been paid for by the company. The advertising department had a sizable collection, as had the engineering department. No one, however, knew what anyone else had on his shelves. When an individual needed a book or magazine, he requisitioned it. At the time it might be no further away than the other side of a partition. Costly business, management decided, and unnecessary.

A librarian was employed to make and keep a record of every book, report, pamphlet and magazine purchased by or given to the company. While the items, for the time being, remain in their scattered quarters, the central catalog makes them available to others and avoids duplication of material already at hand. A new procedure requires that henceforth all orders be placed through the librarian, who has up-to-date catalogs of publishers and can expedite the requests.

The next step planned is to transfer some of the general reference books from offices of individuals who are making only occasional use of them and create the nucleus of a central library. The sales manager, for instance, uses his unabridged dictionary only once in a while; at a central place it would be consulted constantly by many. No pressure will be exerted on individuals or departments to relinquish books. Tactful persuasion, it is hoped, will do the trick, along with concrete demonstration of how useful a central library can be.

In all company libraries emphasis is on use and service. Here there is no interest in special or rare editions and no concern in keeping bindings bright. Wear is welcomed as a sign of use.

TYPES OF MATERIAL

Company libraries vary in size from a few volumes to tens of thousands. The largest are technical libraries, needed by employees in the course of their work. Some motion picture studios have research collections larger than those of many public libraries. Insurance companies, advertising agencies, and airplane and automobile manufacturing corporations are among others that have extensive collections.

Apart from the research material needed for specific jobs, company libraries provide business and technical material of a general nature, useful in the

¹Substitute for name of an actual company.

company's training program or in furthering the development and individual interests of employees. Some libraries also supply recreational books and periodicals—fiction, biography and material on crafts, hobbies and sports.

PUBLICIZING LIBRARY MATERIAL

Maintaining a collection of materials is only the beginning of the service provided by company libraries. In many, keeping employees informed regarding what is available and stimulating their interest are considered an integral function. The following are illustrative of this type of service.

1. Librarians in many companies send bibliographies of new acquisitions to any who request them. In some companies, bibliographies on individual subjects are prepared for executives or groups of employees.

2. In a monthly bulletin entitled, *What's New*, the library service of Safeway Stores, Inc., lists publications added to the library and gives brief summaries of their contents.

3. At Safeway, too, abstracts are made of articles and reports and are sent to those who would be particularly interested in them. The availability of the abstracts is noted in *What's New* so that others can request them, if they wish.

4. The East River Savings Bank library publishes periodically an index of the library in booklet form.

5. The librarian at the Prudential Life Insurance Company prepares a monthly publication dealing with phases of management. This is given to company executives and supervisors.

6. In the *Edison Round Table*, employee publication of the Commonwealth Edison Company, the librarian has a regular column entitled, "Library Bookshelf" which contains news of acquisitions and services. Feature articles on the library appear in the magazine from time to time.

7. A book review column in the employees' publication of Aldens, Inc., stimulates interest in recent library acquisitions.

8. In many organizations attention is called to new materials or to collections on individual subjects through posters on bulletin boards and through special displays.

The circulation of books and magazines is another service that enables the library to reach larger numbers of employees. Routing of periodicals within an organization is a frequent service, supplemented in some instances by special features. At the Oliver Iron and Steel Corporation, the library staff keeps a list of the topic interests of various company executives

and routes newly acquired books and magazines according to the importance of the subject matter to individuals.

PHOTOSTAT SERVICE

The Burroughs Adding Machine Company keeps magazines moving by requiring that each periodical be passed on within four days after its receipt. If a supervisor wants to keep a copy of an article, the library will supply him with tear sheets from an extra copy of the publication or have the article photostated. In this company, if a supervisor wants to send for information or literature that is offered in any of the circulated magazines, he asks for it through the library. Acting as a clearing house, the library averts duplication of requests.

At the Philadelphia Electric Company, books may be ordered from the company library by telephone, and the books are delivered through the interoffice mail. They may be returned the same way.

CIRCULATION OF BOOKS

In libraries where books are circulated, the usual period of loan is two weeks. Sometimes a charge is made for all books, sometimes only for the newer books most in demand, sometimes only for books overdue. The following practices are illustrative:

Aldens, Inc.—Three cents a day. Ten cents minimum. No charge for reference books.

Detroit Edison Company—Two cents a day. Employees can obtain books through interdepartment mail. To avoid sending change through the mail, employees can open accounts by depositing one dollar, from which rental charges are deducted.

A Life Insurance Company—Most books are loaned for two weeks. Newer books are on a seven-day or cent-a-day basis. Two cents a day for overdue books. In vacation time employees can borrow a reasonable number of books for extended periods.

National Cash Register Company—Two cents a day for books overdue.

New York Life Insurance Company—New books loaned for two weeks; all other books, one month. Some textbooks may be borrowed for a full study term.

A Publishing Company—Two books may be borrowed at a time without charge, only one of these may be a new or reserved book. Two cents a day for each book over the allotted two. Most books can be kept for two weeks and renewed for two weeks. New books may be borrowed for two weeks, but are not renewable. Five cents charge for reserving a book. Fine of one cent a day (five cents on reserve books) for books overdue.

In some organizations, magazines and pamphlets as well as books may be borrowed for home reading. Ordinarily, there is no charge for these, but the length of time they may be kept out is usually less than for books. While books are loaned for two weeks at the Commonwealth Edison Company's library,

periodicals must be returned after three days. No charge is made for either. At the Beech Aircraft Corporation, the library's time limit on books is two weeks. For older magazines it is a week; for current magazines, two days.

INFORMATION SERVICE

Telephone information service provided by the librarian or larger staff is one of the most valuable features of many company libraries. If the librarian cannot find the information needed among the materials of the company library, she calls on other libraries—special, university and public. Librarians often encourage employees to ask any question important to them, even should it be so seemingly trivial as clues to the identity of a mystery figure on a popular radio program. By encouraging the practice of asking for information, the librarian counts on being able later to give service on topics of significance to the job.

In some cases fiction has been added to technical and business libraries as bait to draw more employees to the library shelves. When employees are permitted to take books out, it has been found that the technical books hold their own. Business books loaned by the library of the Mutual Benefit Life Insurance Company showed a 160% increase in 1948 over the previous year, while the increase in borrowing of leisure reading books was 60%.

The librarian at the Gary Steel Works of the Carnegie-Illinois Steel Corporation says that employees there borrow three times as many technical books as all others. They pick up a fiction title only occasionally. How-to-make and how-to-do books are especially popular, such as those on home construction and decoration, gardening, child care and etiquette. In addition to technical books, volumes on subjects in the fields of economics, business, marketing, advertising and industrial relations move rapidly.

LOANS FROM OUTSIDE LIBRARIES

When a company has its own library, resources of other libraries become more readily available. That the company librarian calls upon the reference departments of these outside libraries for information has been mentioned. But many company libraries also borrow books from public and other special libraries. Some have arrangements with the local public library, through which they borrow a hundred or more books at a time and keep them for stated periods.

The National Cash Register Company library, for example, borrows an average of one hundred books each week from the Dayton Public Library. About half are books that are requested by employees, the other half are on educational and seasonal topics selected by the public library. Employees can make out reserve cards for any books that are circulated by the public library.

The Dayton Power and Light Company borrows two hundred volumes from the public library, which it exchanges at three-month intervals. The library at the May Company, department store, is a station of the Cleveland Public Library. Employees can leave their orders for any book circulated by the main library.

SPECIAL SERVICES

A listing of a few of the more unusual services provided by some company libraries indicates their wide variety. The library of the General Electric Company at Schenectady provides a translating service. A group of experts translates articles and letters that come to the company in foreign languages.

The library of the International Business Machines Corporation at Endicott, New York, maintains for research purposes a collection of back numbers of magazines. Employees of Joseph E. Seagram & Sons, Louisville, Kentucky, can borrow from their company library framed reproductions of nineteenth and twentieth century paintings. They may keep the reproductions for two months.

Employees of the Northwestern Mutual Life Insurance Company can rent record albums from their lending library. For ten cents per album a day the borrower can enjoy the type of music he chooses, be it Beethoven or hits from a current musical comedy.

Maintenance of the company's archives is part of the service of the library at the New York Life Insurance Company. Letters, advertisements and other documents trace the company's long and colorful history.

Employees of Aldens, Inc., can buy greeting cards in their library. The library at Marshall Field & Company will place magazine subscriptions for employees and buy theater tickets for them. At Wm. Filene's Sons Company in Boston, employees can order books for gifts through their library.

The research library of the Goodyear Tire & Rubber Company has several hundred rolls of microfilm recordings of books and articles, filmed from the originals when extra copies were unobtainable. Employees view these on a recordax.

The staffs of company libraries often help employees plan courses of outside study and prepare selected reading lists to assist them with their studies. Information on vacation spots and transportation is another service applying to employees generally.

SPONSORED BY EMPLOYEES

In some companies, both reading and circulating libraries are sponsored and maintained by employees through their social and recreation associations. The library may be only a few books and magazines at one end of a cafeteria or it may be a large collection in a clubhouse or recreation building. Some employee libraries are open only during the lunch period or for

a brief period after work and are staffed entirely by volunteers. If the books are circulated, fees usually are charged, and the receipts used to build up the library or augment the general recreation fund.

An employees' library started recently at the Bigelow-Sanford Carpet Company in New York supplies an example of how such enterprises originate. Several employees wanted to do reading that would help them on their jobs and others said they liked to read for personal development and recreation, but the effort of getting books from the public library was too great.

One of the employees approached the New York Public Library to see what could be done. His enterprise resulted in a contract between the library and the Bigelow-Sanford Carpet Company under which the company contributes fifty dollars a year and the library contributes a like amount, the money to be used in purchase of books. The public library sent the company one hundred books, which are to be exchanged for others at least every third month. Any twenty books that are not moving can be exchanged at any time for others.

The library is sponsored and managed by the Bigelow Carpeteers, the employees' recreation association. Books can be taken out for two weeks and renewed for two weeks. A charge of ten cents is made for the first week and two cents a day for the second week. Borrowers pay two cents a day for a renewed book and five cents a day for books overdue. While the company put up the initial payment for the first six months, the recreation association expects to have enough revenue from fees to pay the company share in future contracts. After six months it is believed the plan will be self-sustaining.

All employees of the company are automatically members of the recreation club and can use the library. It is housed in a small accessible room and is open from noon to two o'clock every working day. The young man who started the library is head librarian and he has three assistant librarians and two pages, all volunteers.

The first time an employee takes out a book, he signs a card, which is kept by the librarian for a record. Readers can ask for any book that is on the circulating list of the New York Public Library. Cards are made out for special requests, and the employees' librarian tries to obtain the books.

The first hundred volumes included both fiction and nonfiction. The next selection will be made according to the desires of the readers. If Bigelow-Sanford experience follows the pattern of most libraries for employees, the proportion of nonfiction books may outweigh those read for entertainment only.

GENEVA SEYBOLD

Division of Personnel Administration

Executives Go to School

CONSIDER for a moment the training problem of the chief executive of a small manufacturing company in Smalltown, Kansas. He recognizes the need for a broad program of training for his top executives, but is puzzled how to provide this training. Only eight men are involved, and a highly planned and formalized program hardly seems indicated.

The location of his company makes it difficult for the officers to attend management conferences and technical meetings. The president does not feel justified in spending money to hire consultants. The opportunities for job rotation are limited by the size and organization of the company. Furthermore, the president feels reluctant to make suggestions about training to his officers because he feels such suggestions might be misunderstood.

One answer to this problem may be found in a development of the past decade which has attracted the interest of many company officers. It has provided an answer for those companies which, for one reason or another, have felt a need for help in this important matter of executive development.

Several universities have established long-term, "advanced" courses for business leaders. These courses are not to be confused with the better-known evening classes or short-term seminars and conferences which scores of the larger colleges and universities have been offering for many years. Two outstanding characteristics of the new courses may be identified: they are long-term courses and they are designed to meet the needs of management personnel.

It should not be concluded that these courses are the only answer to executive development. Nor should it be assumed that they are exclusively, or even primarily, for use by smaller companies. Companies of all sizes can carry on programs of their own which cannot be duplicated on any campus. But, by the same token, some purposes can be accomplished more successfully in the academic environment than elsewhere. A combination approach would seem to offer maximum possibilities.

The first of the special courses to be established and the one best known today is Harvard's Advanced Management Program. This program and several others are described briefly in the following paragraphs.

HARVARD

The Advanced Management Program of the Harvard Graduate School of Business Administration dates back to World War II when the need for in-

tensive management training became apparent. The AMP runs a full quarter—thirteen weeks. Two sessions are held annually, spring and fall. A total of sixteen have been held to date. In all, 1,200 men representing more than 250 companies have attended the course.

Many important leaders of American business have been AMP students. The course also attracts younger executives who are on their way up to top company positions as well as members of the military services and representatives of foreign business concerns. The average student is a \$15,000-a-year man. His age is 43.

Titles of men who have attended the course include cost analysts, directors of personnel and industrial relations, general foremen, members of the legal staff, presidents and vice-presidents, research engineers, standards and methods men, and sales managers.

The two objectives of the training are to make men better in their present jobs and to get men ready for positions of greater responsibility. It is argued that it is difficult—sometimes impossible—for a man to get the broad type of management training he needs within his company.

In the selection of students, Harvard rates intellectual curiosity and willingness to contribute ideas ahead of a formal educational background.

The following six subjects are discussed during the thirteen weeks:

- Administrative practices
- Business and American economy
- Cost and financial administration
- Production management
- Market management
- Problems in labor relations

Classes are one hour in length. Groups are small and the teaching is by the case study method with full participation on the part of the students. Mornings are devoted to class sessions, afternoons to special study groups, and there are occasional evening meetings with guest speakers. The program is a rich, intensive one.

The tuition charge is \$800. A room in the dormitory costs about \$250 for thirteen weeks while meals run from \$350 to \$600, depending upon the individual. Books, supplies, and the medical fee add \$80. If travel and incidental expenses are included, the out-of-pocket costs mount to \$2,000 or more. This is apart from the individual's salary for the three-month

period that he is away from his desk. Expenses usually are borne in full by the company. Thus, it is easy to see that a company is investing a considerable sum of money in a man's future when it sends him to Harvard's Advanced Management Program.

PITTSBURGH

The University of Pittsburgh conducts a course for businessmen called "Management Problems for Executives." The Pittsburgh plan is similar to the Harvard one in objectives, in methods of instruction, and in subjects covered.

Three groups have completed the Pittsburgh course to date. Since the school is newer, it is less well known than Harvard's. It attracts more middle-management men, most of them coming from companies in or near Pittsburgh, and the course runs eight weeks rather than a full quarter. Another difference between the two schools is that the Pittsburgh enrolment is limited to thirty-five, whereas Harvard's often exceeds one hundred.

The five major areas of instruction are:

- Administrative practices
- Personnel and labor relations
- Marketing policies
- Industrial management engineering
- Measurements for management—
accounting, finance and statistics

Tuition, board and room amount to about \$1,100 for the eight weeks.

UNIVERSITY OF WESTERN ONTARIO

Two Management Training Courses have been held by the School for Business Administration of the University of Western Ontario. The first school in 1948 ran four weeks; the second one, in 1949, five weeks. The courses are held during the summer when the facilities of the university are available.

Instruction is almost entirely by the case study method. About half the course is devoted to discussions of administrative practices. The remaining time is given to consideration of problems in marketing, production, finance, controls, and personnel administration.

The fee for the course, including lodging and meals, is \$400. Dormitory accommodations are provided. Costs usually are paid by the companies.

Sixty-five men, representing 46 companies, attended the last session of the school. The average age was 41, and the average salary about \$7,500. Salaries ranged from \$3,000 to \$16,000.

(A similar program, begun in 1949, is being operated by the University of Toronto.)

STANFORD

During World War II, when the enrolment of undergraduates at Stanford was relatively low, three

schools for business executives were held. They ran for ten weeks with enrolments of fifty men each. Since the war there have not been the necessary facilities for such instruction, although it is hoped the schools may be reestablished at a later date.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

A unique program but one which should be included in this review was initiated in 1931 at MIT under a grant of funds from the Alfred P. Sloan Foundation. Interrupted by the war, this program, known as the Sloan Fellowship Program for Executive Development, was reestablished in 1949.

About ten Sloan fellowships, carrying stipends up to \$4,000, are awarded annually on the basis of merit in nation-wide competition. Preference is given applicants between 28 and 35 years of age with at least five years of business experience.

The course of study lasts a full year (June to June), and the student may be awarded a Masters degree at the end.

STEPHEN HABBE

Division of Personnel Administration

"Be a Better Boss!"

Supervisors of the New York Central System are scattered along the railroad's 11,000-mile right-of-way in eleven states and two Canadian provinces. The only way the company can reach all of them at once is through the mails. The correspondence idea is being applied currently to the company's new training program for supervisors called "Be a Better Boss!" Conducted on a voluntary basis, the course has already been started by three thousand supervisors.

The course is divided into ten units, each of which discusses a major aspect of the supervisor's job. Each unit is printed in booklet form and is followed by an examination which consists of ten check questions. After the supervisor has read the first unit of the course he answers the questions and sends the answer sheet to headquarters. Then he receives the second unit, and the process is repeated until the full course has been completed. If 70% or more of all the questions have been answered correctly, the supervisor receives a card-sized certificate signifying successful completion of the study.

Rabbit Eaters in Illinois

A rabbit feed was held for members of the Nimrod Club of the State Farm Insurance Companies. During the weekend before the dinner, hunters rounded up a supply of game in the farming country of southern Illinois. Last fall, a fish fry was a very popular affair planned for State Farm employees.

Trends in Labor Relations

Why Unions Lose Grievances

Walter Reuther's United Automobile Workers are strongly stressing grievance handling. *Ammunition*, the magazine edited by his brother, Victor Reuther, ran an article with the provocative title "How to Lose a Grievance." As implied in its title, the article warns shop stewards and grievance committeemen against pitfalls in grievance procedures. Unions lose grievances, warns the UAW-CIO publication, for the following reasons:

1. Filing of grievances that have no standing under the contract.
2. Improper presentation of the grievance: failure to point out the specific contract clause violated.
3. Inadequate investigation of the grievance. Shop stewards are told: "Make sure to tell who is grieved, where he was grieved, when he was grieved, why you consider what happened a grievance (you must be specific about the contract clause that was violated), and what you want in the way of redress. If you don't specify these facts the chances are you will lose the grievance."
4. Failure to file the grievance within the time limits specified in the contract.
5. Poor arbitrators and umpires. The union singles out for rebuke those arbitrators "who bring to their decision an automatic middle approach. That is, they throw a few points the union's way and a few points the company's way in the belief that this kind of fifty-fifty business will keep everyone satisfied."
6. A complex grievance and arbitration system. The union takes a swing at ultracomplex grievance systems that tend to breed "shop lawyers." "Union committeemen under these circumstances," says the UAW-CIO, "tend to become legal beagles. The technicalities become more important than the people involved. . . . As a rule, you might say, the more the appeals procedure looks like a legal procedure, the less effective it is." From a human relations standpoint, says Victor Reuther's magazine, the union loses in a complex appeals procedure because it doesn't give "a fair answer to a man's complaint in a reasonable time."

Hip Pocket Contract

Something new has been added to the wallets of foremen, stewards and employees of Peter Eckrich & Sons, Inc., manufacturers of meat specialties: a miniature edition of their union contract.

Eckrich officials says that the genesis of the wallet-size contract came from their supervisors' and workers' desire for a copy of the contract in an easy-to-carry size. To meet this need, the meat company's officials decided to print the contract on a $2\frac{1}{2} \times 3\frac{3}{4}$ "

page—a size that could easily fit into a billfold. But, they found, the contract would run to 72 pages which, printed on ordinary paper, would be too bulky. Use of India paper solved this problem.

Now when grievances come up, company officials report, both supervisors and shop stewards have contracts readily available—in their hip pocket.

That Superseniority Question

The issue of superseniority has long been a bone of contention between management and union officials in bargaining. Unions demand superseniority for officers and shop stewards to keep their organization intact during times of adversity. While management officials can understand and sympathize with these union needs, and while they may desire continuity of tenure for the experienced union officials with whom they deal, they often strenuously object to what they consider to be the unfair end results of superseniority. One such management official made known his views on superseniority and solicited his employees' opinions:

"Seniority means the period of continuous service that a person has worked for a company. . . . But there is the device known as top seniority—or preferred seniority. When an individual is given top seniority by a union he goes to the top of the seniority list. It does not matter how short his service with the company is. It does not matter how poor a workman he is. Such preferred treatment is usually given to union officers and stewards. Unions ask for it in order to keep intact their organization in the plant.

"We believe that a union can elect as officers and stewards individuals whose long experience with the company will protect them from layoff. We have seen top seniority used to protect members who are in right with the union boss. It has been used as a club to hold members in line. We understand that in one small local plant 18% of those working have their jobs through union top seniority—not their own company service—not their own merit. Those with longer service and perhaps more merit have lost their jobs through this trick device.

"We believe top seniority is unfair. We would appreciate a note from you who read this, telling us of your views about it. The note may be signed or unsigned."

Who's Who in the Union

Many firms have an orientation program which provides for introducing an employee to his supervisor and his fellow employees. Perhaps just as important for the worker in a unionized plant or office

is that he know who's who in the union's setup. This is provided in a rather unusual clause in a New England manufacturer's contract with an AFL union:

"During the process of inducting new employees, the company will explain to such employees the various factors affecting their employment with the company including an explanation of the agreement between the union and the company. The employee will be told the name of his union officials and introduced to the chairman of the grievance committee. At the conclusion of the induction process, the employee will be given a copy of the agreement and a voluntary dues deduction form."

British Union Membership

Union membership in the United Kingdom (England, Wales, Scotland, Northern Ireland) at the end of 1948 was 9,301,490 (1948 U.K. population 50,033,000), according to the British Ministry of Labor and National Service. This is the highest British union

membership figure ever recorded and is 159,000 more than the 1947 total.

The following table gives aggregate year-end union membership for the United Kingdom for 1934-1948:

Year	Total In Thousands		
	Total	Males	Females
1934.....	4,590	3,854	736
1935.....	4,867	4,106	761
1936.....	5,295	4,495	800
1937.....	5,842	4,947	895
1938.....	6,053	5,127	926
1939.....	6,298	5,288	1,010
1940.....	6,613	5,494	1,119
1941.....	7,165	5,753	1,412
1942.....	7,867	6,151	1,716
1943.....	8,174	6,258	1,916
1944.....	8,087	6,239	1,848
1945.....	7,875	6,237	1,638
1946.....	8,803	7,186	1,617
1947.....	9,142	7,482	1,660
1948.....	9,301	7,632	1,669

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Pensions—Plus or Minus OASI?

THE PENSION demands which figure in the current strike of the UAW-CIO at the Chrysler Corporation may cause prominent industrialists to re-evaluate their recently adopted positions favoring liberalized Federal Old Age and Survivors Insurance. The impression was current, following the Ford and Bethlehem pension settlements, that a liberalized OASI would help to defray private pension obligations since most agreements have a tie-in with OASI benefits.

The UAW gave credence to this thought back in October, 1949, when it called the Ford agreement "a service that will benefit millions" because pensions won by collective bargaining were causing industry to regard a liberalized OASI with favor. Moreover, declared the UAW-CIO statement, "The UAW-CIO and labor generally have always maintained that the most satisfactory method of providing old age security is through Federal Social Security legislation."¹

But the UAW's current demand of Chrysler is for a straight contribution of ten cents an hour for a funded pension plan and for welfare purposes. There is no mention of a diminution in contributions should OASI be expanded. It is this factor that has industrialists wondering whether an expanded OASI will reduce or add to their pension costs.

Yet the UAW-CIO, at least, has always been quite candid as to its aims. In the same statement quoted

above there also appears this significant paragraph:

"As improvements are made in Federal Social Security, a larger portion of the Ford company's 8.75 cents contribution will be used to retire past service credits. As increased federal benefits make it possible to pay off past service credits at a faster rate, the road will be cleared for the union through collective bargaining to win additional company-financed benefits in pensions and hospital and medical programs."

Since labor in general regards expanded Social Security as a sure thing,¹ the Chrysler demand may be viewed as an opening step in securing these "additional company-financed benefits."

The Chrysler Corporation countered the UAW demand with an offer to guarantee by its "good faith and credit" pensions of \$100 per month (the \$100 to include the amount which the retiring employee receives from Federal OASI), and to grant or improve life insurance, sickness, accident and disability benefits. Differences over whether the pension should be fully funded and whether the union should have a voice in the administration of the trust fund, as well as differences over contract duration, also contributed to the impasse and resulted in the strike of 89,000 Chrysler employees which commenced on January 24.

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Division of Business Economics

¹See "Labor Press Highlights," *The Management Record*, November, 1949, p. 483.

¹See "Labor Press Highlights," p. 70.

Clerical Salaries Improving

AN AVERAGE salary increase of 1.3% since April, 1949, is indicated by the latest Conference Board study of thirteen key clerical jobs in twenty cities.

Twenty-five major industrial classifications are represented by 592 companies reporting actual rates paid in October, 1949, to a total of 45,714 employees. Since the cooperating companies are not identical in all surveys, the data is not strictly comparable on a periodic basis. Nearly nine out of ten companies in the current survey, however, also participated in April, 1949; of these, more than nine out of ten were included in October, 1948. Thirty-six companies contributed their data for the first time in October, 1949.

The number of companies studied has increased

substantially over the six-month period and stands at a record high. The number of employees covered has fallen off, however. In April, 1949, some 553 companies reported their rates for 46,932 clerical workers, while in October 592 companies submitted data for only 45,714 workers. The tendency toward fewer accessions suggested by this comparison is reinforced by reference to the special compilation of starting rates for three of the thirteen jobs. These data show less hiring in the six months ending October 1 than in the preceding six months.

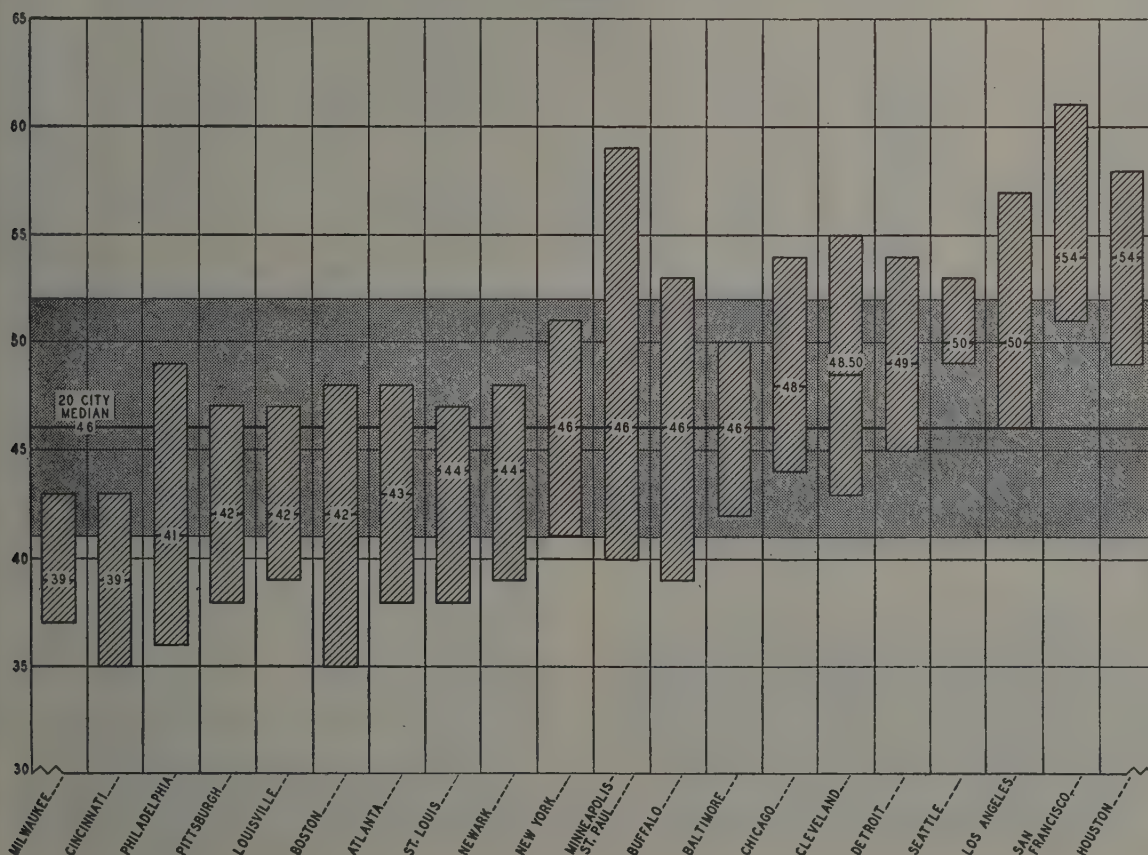
Median starting rates showed no change from April on an all-city basis. Starting rate tabulations for office boys, file clerks and junior copy typists in all cities

(Text continued on page 62)

MEDIANS AND RANGE OF WEEKLY SALARY RATES PAID TO STENOGRAPHERS, 20 CITIES, OCTOBER, 1949

(Based on Middle 50% of Reported Rates)

In Dollars



CLERICAL SALARY RATES, OCTOBER, 1949

Cities	All Reports			Middle 50% of Reports			All Reports			Middle 50% of Reports		
	Range	Median	Mode	Low	Average	High	Range	Median	Mode	Low	Average	High
	Office Boy (or Girl)						Receptionist					
Atlanta.....	\$28-42	\$34	\$32	\$32	\$33	\$35	\$30-62	\$41.50	\$30	\$35	\$41	\$46
Baltimore.....	22-39	30	30	25	29	31	30-52	33	..	..	..	..
Boston.....	22-46	28	25	25	28	31	31-64	42	45	40	43	45
Buffalo.....	18-49	31	35	24	31	35	31-51	51	51	..	..	..
Chicago.....	29-52	32	30	30	33	36	38-60	45	44	44	45	48
Cincinnati.....	23-37	28	25	25	28	32	31-47	36	..	34	36	40
Cleveland.....	29-54	37	42	32	38	42	38-63	46	42	..	..	..
Detroit.....	24-47	37	37	34	36	38	32-58	44	..	40	45	51
Houston.....	28-53	36	36	36	36	36	35-63	53	47	47	54	61
Los Angeles.....	29-57	42	46	35	41	45	35-71	56	65	50	56	61
Louisville.....	25-44	30	30	30	31	34	40-47	44	..	..	..	..
Milwaukee.....	23-47	32	28	28	33	37	35-50	40	40	..	..	..
Minneapolis-St. Paul.....	23-52	32	28	28	33	45	34-49	41	37	37	41	43
Newark.....	23-45	31	29	29	31	33	32-55	39	42, 44	34	39	42
New York.....	24-50	32	30	30	32	35	32-66	44, 50	40, 49	40	45	52
Philadelphia.....	23-41	32	32	28	32	34	25-52	38	38	37	40	45
Pittsburgh.....	28-42	32	32	30	32	35	30-60	35.50	35	33	37	44
St. Louis.....	23-46	35	25	28	34	38	32-62	44	..	..	..	..
San Francisco.....	32-53	42	42	40	42	49	38-57	45.50	42	42	45	47
Seattle.....	32-48	41	40, 41	40	41	43	.....	.....	..	..	..	..
TOTAL.....	18-57	33	30	30	33	36	25-71	45	40, 42	40	45	51

Cities	Telephone Switchboard Operator						File Clerk					
Atlanta.....	\$32-62	\$39.50	\$38	\$38	\$40	\$43	\$25-60	\$34	\$27	\$29	\$34	\$40
Baltimore.....	28-52	42	43	37	41	45	24-47	28	25	25	30	40
Boston.....	29-57	42	40	40	43	48	25-66	30	29	28	30	35
Buffalo.....	29-56	49	51	38	48	51	25-55	36	36	33	36	39
Chicago.....	35-61	46	44	44	47	50	29-66	40	40	37	40	45
Cincinnati.....	29-54	38.50	37, 40	36	38	40	25-53	31	25	28	31	34
Cleveland.....	37-57	47	42	42	47	53	28-75	43	40	38	43	51
Detroit.....	32-66	44	40	38	44	51	29-59	37	37	34	38	41
Houston.....	36-75	53	57	46	53	57	33-67	40	40	40	40	44
Los Angeles.....	36-68	53	55	48	53	57	29-66	44	46	39	43	47
Louisville.....	31-55	38	38	36	39	42	30-55	36	45	32	35	42
Milwaukee.....	31-63	44	..	40	44	46	23-60	33	31	31	33	36
Minneapolis-St. Paul.....	32-56	51	53	42	48	53	25-70	31	30	29	31	35
Newark.....	31-62	46	47, 52	38	45	49	26-52	32	31	31	33	38
New York.....	32-68	49	56	44	49	53	27-80	37	32	33	37	43
Philadelphia.....	28-55	43	49	40	44	49	23-56	30	23	27	31	38
Pittsburgh.....	37-66	48	48	43	47	48	28-59	36	35	32	36	39
St. Louis.....	28-60	46	46, 55	40	46	51	23-76	36	40	29	35	40
San Francisco.....	40-69	55	55	48	54	58	34-72	45	61	40	46	57
Seattle.....	42-54	49	50	46	49	50	37-61	42	40	40	44	50
TOTAL.....	28-75	48	51	42	47	52	23-80	36	32	32	36	42

OFFICE BOY (OR GIRL):

1. The beginning clerical job for unskilled boys or girls.
2. Works under supervision and has no supervisory responsibilities.
3. Work involves simple jobs, often of a routine and often of a miscellaneous nature, which require little or no training beyond a knowledge of who various key people are and where they are located.
4. Alternative titles for this job include the following: Messenger, Page, etc.

FILE CLERK:

1. May be attached to an operating or a central files department.
2. Works under supervision and has no supervisory responsibilities.
3. Sorts, arranges, and inserts in files one or more of the following types of material in accordance with the company's established methods: documents, cards, bills, invoices, orders, correspondence, plans, credit data, blueprints, cost cards, time slips, personnel records, etc. This may include simple classifying and indexing.
4. Makes look-ups, pulls, and charges material from files as requested.
5. Purges files of old and useless papers in accordance with the company's established procedure.

6. Mends damaged papers.

7. May be responsible for tickler files (involving "call-ups," "punch-ups," or "bring-ups").

TELEPHONE SWITCHBOARD OPERATOR:

1. Operates a PBX switchboard.
2. Keeps records relevant to telephone service.
3. Does no general clerical work and has no supervisory responsibilities; entire time and attention is devoted to telephone service.

RECEPTIONIST:

1. Works under supervision in a department, division, floor or in the company's main vestibule.
2. Greets and directs visitors.
3. Issues visitors' passes and maintains required records concerning them.
4. May record employees' in-and-out movements.
5. Does not operate a switchboard, does no general clerical work, and has no responsibility associated with plant protection. Essentially a sedentary job.
6. May also be called an Information Clerk.

CLERICAL SALARY RATES, OCTOBER, 1949—Continued

Cities	All Reports			Middle 50% of Reports			All Reports			Middle 50% of Reports		
	Range	Median	Mode	Low	Average	High	Range	Median	Mode	Low	Average	High
	Junior Copy Typist						Senior Copy Typist					
Atlanta.....	\$25-42	\$35	\$36	\$32	\$35	\$36	\$31-62	\$35	\$33	\$33	\$37	\$44
Baltimore.....	25-47	31	30	28	33	40	30-51	47	47	40	45	47
Boston.....	26-51	32	29	29	32	35	30-60	36	33	33	36	39
Buffalo.....	26-47	36	33	32	35	39	33-53	43	47	39	43	46
Chicago.....	30-55	40	40	38	40	43	30-66	44	44	40	44	48
Cincinnati.....	25-43	34	34	30	33	37	30-50	40	40	36	40	43
Cleveland.....	30-58	40	40	39	41	43	29-63	43	46, 47	38	42	46
Detroit.....	29-52	37	32	34	38	42	33-55	44	43	41	44	47
Houston.....	30-55	40	33	33	40	48	34-70	50	35	42	50	56
Los Angeles.....	35-59	47	57	42	47	52	35-59	50	50	46	49	52
Louisville.....	27-44	37	30	30	36	59	29-40	36	..	32	35	37
Milwaukee.....	28-39	33	35	32	33	35	30-48	39	37	37	39	42
Minneapolis-St. Paul.....	27-56	33	31	31	34	37	31-62	41	41	38	42	46
Newark.....	26-49	38.50	42	33	38	42	30-52	43	43	40	43	45
New York.....	28-63	36	35	33	36	39	31-65	43	40	40	43	48
Philadelphia.....	23-53	35	37	31	35	37	30-58	39	43	35	39	43
Pittsburgh.....	28-48	37	35	35	37	40	35-55	43	46	38	43	47
St. Louis.....	23-46	30	28	28	29	32	30-55	40	46	34	40	44
San Francisco.....	37-63	46	42	42	45	50	40-69	54.50	59	49	55	59
Seattle.....	37-51	..	..	..	..	..	40-56	44	41	41	44	50
TOTAL.....	23-63	36	35	32	36	40	29-70	43	43	39	43	47

Cities	Junior Dictating Machine Transcriber						Senior Dictating Machine Transcriber					
	Range	Median	Mode	Low	Average	High	Range	Median	Mode	Low	Average	High
Atlanta.....	\$33-40	\$35	..	..	..	..	\$33-64	\$43	..	\$39	\$43	\$48
Baltimore.....	23-38	32.50	\$35	\$30	\$33	\$35	40-42	..	..	..	..	..
Boston.....	25-49	36	30	30	35	39	31-67	42	\$46	38	42	46
Buffalo.....	31-43	41	42	38	41	42	39-54	47	47	47	47	47
Chicago.....	33-54	40	35, 40	37	40	43	35-62	47	44	44	47	51
Cincinnati.....	28-46	34	32, 36	32	34	36	30-56	41	38	38	41	45
Cleveland.....	33-61	57	59	..	..	..	37-54	44	44	40	44	49
Detroit.....	33-49	43.50	..	40	43	46	35-57	49	49	45	49	52
Houston.....	35-52	47	44	44	47	48	42-62	48	42	42	51	59
Los Angeles.....	31-45	38.50	39	35	38	39	39-63	48	45, 47	45	49	53
Louisville.....	..	..	..	..	..	..	32-56	40	32, 34	34	41	46
Milwaukee.....	32-39	35	32	32	35	36	33-50	42	33, 44	37	41	44
Minneapolis-St. Paul.....	28-55	32	32	29	32	35	32-60	40	40	38	41	44
Newark.....	29-43	37	41	31	37	41	30-55	45	55	40	44	47
New York.....	31-50	39	..	36	39	43	37-83	48	45	44	48	54
Philadelphia.....	29-44	36	39	32	36	39	28-63	41	37, 39	37	42	49
Pittsburgh.....	33-43	38	36	36	38	41	38-51	43	43	43	44	46
St. Louis.....	25-46	33	..	29	33	38	30-58	42	46	36	41	45
San Francisco.....	..	..	..	..	..	..	42-67	52	52	46	51	54
Seattle.....	40-44	..	..	..	..	..	44-58	..	..	..	..	..
TOTAL.....	25-61	38	35, 36	34	38	42	28-83	45	40	40	45	50

JUNIOR COPY TYPIST:

1. Works under supervision and has no supervisory responsibilities. Letters and copy typing of simple, routine nature. Specific work may include:

- Straight typing from clean copy, or clear corrected copy.
- Types form letters, simple reports, addresses and envelopes, and simple fill-ins such as names and addresses.
- Stencil cutting which involves only simple, straightforward typing.

2. Work is usually checked or spot-checked by others.

3. Does NOT include taking dictation. Do not confuse with a Junior Dictating Machine Transcriber.

SENIOR COPY TYPIST:

1. Works under supervision and has no supervisory responsibilities. Types varied material of any degree of difficulty from either clean copy or rough draft. Specific work may include:

- Typing tabular, columnar, and statistical material.
- Typing reports, records, and letters of any degree of difficulty including technical terminology and unusual terms.
- Stencil cutting of varied material of any degree of difficulty.
- Ability to arrange material for typing.

2. Work may be self-checked or spot-checked by others.

3. Does NOT include taking dictation. Do not confuse with Senior Dictating Machine Transcriber.

JUNIOR DICTATING MACHINE TRANSCRIBER:

1. Under supervision may work for one individual, a group of individuals, or in a central correspondence or stenographic department.

2. Transcribes, from dictation made on any of several types of recording equipment, name-and-address fill-ins, simple routine letters and material including nontechnical terms which requires only normal layout and arrangement.

3. Does NOT take dictation or transcribe from stenographic notes.

SENIOR DICTATING MACHINE TRANSCRIBER:

1. Under supervision may work for one individual, a group of individuals, or in a central correspondence or stenographic department.

2. An expert typist who transcribes work of any degree of difficulty from dictation made on any of several types of recording equipment. Specific work may include:

- Typing tabular, columnar, and statistical material.
- Typing reports, records, and letters of any degree of difficulty including technical terminology and unusual terms.
- Cutting stencils of varied material of any degree of difficulty.

3. Work may be self-checked or spot-checked by others.

4. Does NOT take dictation or transcribe from stenographic notes.

CLERICAL SALARY RATES, OCTOBER, 1949—Continued

Cities	All Reports			Middle 50% of Reports			All Reports			Middle 50% of Reports		
	Range	Median	Mode	Low	Average	High	Range	Median	Mode	Low	Average	High
	Stenographer						Bookkeeping Machine Operator					
Atlanta.....	\$30-62	\$43	\$40	\$38	\$43	\$48	\$32-58	\$40	\$38	\$38	\$41	\$45
Baltimore.....	31-55	46	50	42	47	50	32-55	40	43	35	41	46
Boston.....	27-75	42	43	35	42	48	27-69	39	40	33	38	42
Buffalo.....	28-59	46	53	39	46	53	30-65	47	36, 55	36	46	55
Chicago.....	31-74	48	44	44	48	54	31-62	44	44, 48	38	44	48
Cincinnati.....	29-64	39	39	35	39	43	28-49	42	42	36	41	43
Cleveland.....	32-72	48.50	48	43	49	55	33-60	46	50	43	47	51
Detroit.....	35-62	49	56	45	49	54	34-60	45	45	41	45	50
Houston.....	36-77	54	56, 58	49	54	58	43-68	53.56	50	50	53	57
Los Angeles.....	35-68	50	52	46	50	57	35-75	40	39, 40	39	41	42
Louisville.....	32-58	42	40	39	42	47	32-52	37	32	35	38	41
Milwaukee.....	31-52	39	37	37	40	43	28-57	39	38	37	40	44
Minneapolis-St. Paul.....	30-72	46	61	40	49	59	29-66	37	33	33	37	43
Newark.....	29-60	44	45	39	43	48	31-65	43	43	40	44	47
New York.....	31-80	46	51	41	46	51	30-75	43	39	39	43	48
Philadelphia.....	26-70	41	35	36	42	49	28-58	35	33	33	35	39
Pittsburgh.....	28-64	42	38	38	42	47	32-65	43	43	42	43	47
St. Louis.....	26-61	44	46	38	44	47	28-60	38	35	35	39	44
San Francisco.....	39-72	54	61	51	55	61	39-68	44	40	40	44	48
Seattle.....	37-62	50	50	49	51	53	43-67	52	67	48	52	58
TOTAL.....	26-80	46	45	41	46	52	27-75	42	40	37	42	47

Cities	Billing Machine Operator						Calculating Machine/Comptometer Operator					
	Range	Median	Mode	Low	Average	High	Range	Median	Mode	Low	Average	High
	Billing Machine Operator						Calculating Machine/Comptometer Operator					
Atlanta.....	\$32-47	\$38	\$35, 39	\$36	\$38	\$39	\$30-65	\$41	\$40, 41	\$39	\$42	\$47
Baltimore.....	38-53	40	38	38	42	50	30-50	39.50	39, 50	34	40	46
Boston.....	27-54	45	51	40	44	48	27-62	40	41	36	40	46
Buffalo.....	33-58	46	55	40	47	55	28-58	39	55	36	40	47
Chicago.....	32-61	44	42	40	44	48	32-64	48	46	44	48	53
Cincinnati.....	25-54	40	40	34	39	41	28-57	37	35	35	38	43
Cleveland.....	35-69	59	65	43	57	63	28-67	48	40	42	48	54
Detroit.....	37-61	47	44, 49	45	47	49	32-61	47	45	44	47	52
Houston.....	35-73	44	44	44	46	51	33-72	51	..	44	51	57
Los Angeles.....	34-63	56	58, 63	49	55	59	39-75	60	61	52	59	63
Louisville.....	..	..	..	..	..	..	30-52	40	48	35	40	46
Milwaukee.....	31-52	37.50	35	35	38	41	28-49	41	42	37	41	44
Minneapolis-St. Paul.....	32-66	61	61	43	58	62	30-60	41	58	37	41	48
Newark.....	30-59	43	42	42	43	44	29-60	44	47	38	44	48
New York.....	30-68	46	59	42	46	52	34-71	48	46	45	48	54
Philadelphia.....	28-60	42	60	36	41	48	27-58	42	42	38	43	46
Pittsburgh.....	27-58	45	38	39	45	52	32-55	43	43	42	43	46
St. Louis.....	37-71	49	64	45	51	57	28-68	42	50	35	41	50
San Francisco.....	44-78	54	52	52	57	68	39-69	60	61	52	58	61
Seattle.....	43-48	47	47	47	47	47	41-61	53	61	47	53	57
TOTAL.....	25-78	45	42	41	45	51	27-75	46	46	40	46	53

STENOGRAPHER:

1. Under supervision may work for one individual, may serve several correspondents, or may be attached to a central correspondence or stenographic department.
2. Takes dictation and transcribes by typewriting from shorthand notes.
3. Has no other responsibilities normally associated with those of a secretary.

BOOKKEEPING MACHINE OPERATOR:

1. Works under supervision and has no supervisory responsibilities.
2. Operates a bookkeeping machine with or without typewriter keyboard.
3. Work includes any or all of the following: Posting such records as accounts receivable or payable, receipts and disbursements, customer statements, etc., from prepared media; developing new balances and column totals, proving, balancing, and related clerical work incidental to operating the machine.

BILLING MACHINE OPERATOR:

1. Works under supervision and has no supervisory responsibilities.
2. Operates a billing machine in preparation of bills, invoices, statements, or similar work from original orders or shipping papers.

3. May include related clerical work such as recording or shipping charges, verifying calculations, and other data.

CALCULATING MACHINE; COMPTOMETER OPERATOR:

1. Works under supervision and has no supervisory responsibilities.
2. Computes on rotary or key type calculating machine and/or verifies on the machine all types of calculations involving addition, subtraction, multiplication, and division. Must be able to do all of these operations.

(Text continued from page 59)

appear in the complete report, which is available to participating companies.

The study shows an apparent percentage downturn in unionization from April to October. This may arise from the greater number of companies covered in the sample taken for this period.

When the cities are ranked according to median and average salaries paid to all thirteen occupations, San Francisco stands out as the highest paying city;

Cincinnati reports the lowest rates. Los Angeles and Seattle on the West Coast continue to rank high.

File clerks, stenographers and calculating machine operators constitute nearly half (46.8%) of the total sample; median salaries for these occupations showed a gain of 0.5% since April. Previously they had risen 2.4% from October, 1948, to April, 1949.

In the large cities, salaries paid for these key jobs continue to be equal to or higher than the all-city medians, with the outstanding exception of Philadelphia, which falls about \$5 lower on the average. Los Angeles companies were paying top rates, particularly to calculating machine operators, who were earning \$60 in October.

Rates paid to more than 2,000 railroad clerical workers included in this study were affected by the recent introduction of the five-day week for non-operating personnel.¹ Only one of the 592 reporting companies is now on a regularly scheduled work week of more than 40 hours; in three more companies, some employees work a 40-hour-plus week.

About a seventh of the companies worked less than 37.5 hours, another fifth worked between 37.5 and 40 hours, and nearly two thirds worked 40 hours. An overwhelming majority (99.8%) of the respondent companies, therefore, are now working 40 hours or less.

¹For details, see "Working on the Railroad—1949," *The Management Record*, September, 1949, p. 394.

Clerical Salary Rates, October, 1949— Continued

Cities	All Reports			Middle 50% of Reports		
	Range	Median	Mode	Low	Average	High
Key Punch Operator						
Atlanta.....	\$33-62	\$40.50	\$35	\$35	\$41	\$46
Baltimore.....	25-52	34	28	29	34	43
Boston.....	29-61	41	41	35	40	43
Buffalo.....	25-59	42	51	36	42	51
Chicago.....	33-61	45	44	42	45	48
Cincinnati.....	30-48	40.50	44	38	41	44
Cleveland.....	28-61	43	54	37	43	51
Detroit.....	34-58	48	54	43	48	53
Houston.....	41-69	49	44	46	49	53
Los Angeles.....	37-64	51	52	46	50	54
Louisville.....	36-52	42.50	40, 44	40	43	47
Milwaukee.....	28-59	37	35, 37	35	38	43
Minneapolis-St. Paul.....	28-58	39	55	35	39	43
Newark.....	31-60	36	36	33	36	39
New York.....	30-62	42	38	38	42	46
Philadelphia.....	29-60	42	43	37	41	44
Pittsburgh.....	29-55	42	39	39	41	44
St. Louis.....	29-53	42.50	46	35	42	46
San Francisco.....	38-69	51	48	47	51	57
Seattle.....	44-54	49	54	47	49	54
TOTAL.....	25-69	42	44	37	42	47

KEY PUNCH OPERATOR:

1. Works under supervision and has no supervisory responsibilities.
2. Punches holes in cards from material prepared in advance by others.
3. Does not involve coding or calculating.

As mentioned earlier, fluctuations in ranges and in measures of central tendency from one survey to the next partly reflect variations caused by changes in the sample of cooperating companies and employees represented.

The summaries contain the following data:

1. The range, or the low and high rates paid.
2. The median, or the salary rate of the middle employee in the series.
3. The mode, or the rate occurring most frequently.
4. The low, average, and high rates of the middle 50% of the employees.

METHOD OF COLLECTING DATA

The data present the following characteristics:

1. Only regularly employed full-time employees are included.
2. Only employees whose jobs exactly fit one of the job descriptions are included. Instructions to participating companies stress the point that they should "exclude all employees whose jobs differ in any way from the job descriptions used in this survey." In every case in which a reported rate appears to be out of line, a responsible executive of the company involved is asked to recheck and verify the figure.

3. The salary rates do not include overtime, but they do include incentives, cost of living and production bonuses earned during regular working hours. In some instances where cost of living bonuses have become part of the base rate, the salary level has been materially affected. Salary rates for those few employees working more than 40 hours a week have been converted to 40-hour rates.

4. Salary rates may reflect earned-experience rates, accruals based on length of service, or other individual considerations. They may also be affected by non-financial benefits given employees.

5. Weekly salary rates are provided in even-dollar amounts. In other words, a weekly salary of \$29.44 is reported as \$29, but \$29.50 or \$29.68 is reported as \$30.

6. Each company furnishes the number of employees at each rate in each job classification and not average rates.

THE CONFERENCE BOARD is now planning to broaden the survey coverage. Companies in any of the twenty cities desiring to participate in this project may contact the Board directly for further details.

The next survey will be conducted in April, 1950.

FLORENCE S. GEIGER
Statistical Division

MAY we present Mr. Friendly, Allegheny Al, Danny Diesel, the J-M Dwarf, Elesco Joe, Scotty, Telephone Tommy, Reddy Kilowatt and the Chief? All individuals of great versatility who are making a success of a new profession—that of personalizing the company.

Remember Aunt Jemima, Buster Brown and the Michelin rubber tire man? They identified products. Mr. Friendly and his fellows stand for products, too, but theirs is a more inclusive job. They represent employees, management, owners—the works! They are the company's personality.

Personality Pete (the name for the character is often alliterative) introduces products in company advertising, acts as host at the company's open house, interprets figures in the company's annual report to employees, calls attention to safety measures, explains company policies in the employees' handbook. These are but a few of the ways in which he is performing an increasingly important role in public, customer, community and employee relations. In many instances he was designed particularly for employee communications.

Allegheny Al, for instance, got his start in March, 1947, at a conference of the public relations department of the Allegheny Ludlum Steel Corporation. Under discussion was a theme for a special annual report to employees. Someone mentioned animating a star, which was one of the trademarks of the corporation, and letting the animated figure serve as spokesman. Three days later the report was in rough form, and before the end of the day it had been accepted by the president of the company.

About a week after the conference, a sign painter, who was working on safety posters at one of Allegheny's plants, had a similar idea, completely independent of the concept of the public relations group, and submitted a cutout which he called "Allegheny Al."

With a low bow, Al introduced himself on the first page of the company's 1946 annual report to employees, as follows:

"I'm Al! I'm all the men and mills of Allegheny Ludlum Steel Corporation. I'm 12,639 workers, salaried and hourly wage earners—steelworkers, salesmen, office workers, metallurgists and managers. I'm 13,009 shareholders—men and women from every walk of life. I am a good neighbor. I'm pals with the butcher and baker, with the churches

Personality Pete —

and hospitals and everybody else in the towns where I operate. I'm big-time production of fine alloy steels. I'm nine plants in six states—I'm twenty-one district sales offices and nine warehouses. I'm a big healthy guy—prosperous, and I want to stay that way. I'm you and your fellow-workers. I'm Allegheny Ludlum Steel Corporation! Al to you!"

As a gimmick created solely to present the employees' annual report in human, easy-to-understand language and illustrations, Al proved so successful and so generally well liked that he was later assigned to public relations chores and advertising purposes. He even showed up in the company's last annual report to stockholders.

NONHUMAN SYMBOL SOUGHT

The Johns-Manville dwarf, similarly, was created to liven that company's annual report to employees, or, as this company expresses it, to its jobholders. The design was the result of much thought on the part of management and staff members. "We did not want to choose a person," explains an executive of the company, "but rather something that would be symbolic. We wanted this symbol to have personality and facial expression." It should be nonhuman, but have attributes that would inspire general liking.

Management was on the quest of this pleasing personality in 1938, which happened to be the year when Walt Disney's movie, "Snow White and the



The J-M Dwarf greets new employees

Company Representative

Seven Dwarfs," was being shown in hundreds of theaters. "Whistle While You Work" was a popular tune of the day, and the sturdy little characters were regarded with wide affection. Choice of a dwarf for the J-M symbol was thus a natural.

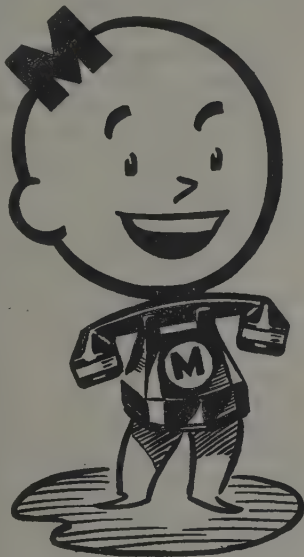
There was considerable experimenting with shape of cap and various features before the figure was O.K.'d. Originally, in the first annual report in which the "little feller" appeared, his middle was a circle and he was known as the "J-M Dollar Dwarf." Segments of his rotund torso were shaded in various drawings to show the distribution of the sales dollar. Through several evolutions in the last decade the dollar disappeared, and the J-M dwarf has become streamlined.

While the figure was created for the company's annual report to employees, it has since been employed in many of the company's other employee publications, serving as a useful company signature. The dwarf has received considerable attention outside the company, and several newspapers and magazines have reproduced it. So far, however, it has been used only for employee communications within the company.

TELEPHONE TOMMY OF HAWAII

Telephone Tommy is another company symbol whose features have changed through the years, with resultant gain in personality.

During the war, the Mutual Telephone Company, which operates telephone systems on islands of Hawaii, found that the company's advertising was heavy with explanations of equipment shortages and with appeals to the public to limit calls and make them brief. F. G. Chadwick, the company's public relations director, thought animating the familiar telephone and allowing the instrument to talk and become active in advertisements and other training material, both for public and employee consumption, might be helpful. It might inject a little lightness, he believed, to ap-



peals that were often mere repetition with a heavy frowning tone.

As first designed, the figure's head was small and had rather mechanical features. Very soon, however, the little fellow began to develop a personality, and the face was humanized. The early figure's hands were the ends of the telephone handset, but human hands were later substituted. It was found that with real appendages, Tommy could do more to enliven annual reports, as well as being a more flexible character in general advertising.

In 1948, Tommy grew to be a cutout, nine feet high, with moving eyes and a hand that raised and lowered. He was the main attraction at the Mutual Telephone Company's booth at the Fortyninth State Fair. In 1949, he became a figure of three dimensions and had the gift of speech added. For Mutual's



Aloha Week float, an eight-foot Telephone Tommy was made of wood and aluminum, with movable eyes and mouth. Flower-covered and surrounded by thirteen girls, costumed in the native dress of thirteen countries, he symbolized overseas calls from Hawaii.

Last Christmas season, decked out with a red telephone body, hat, silky beard and boots, he stood in the main lobby of the headquarters building in Honolulu, greeting youngsters and reminding folks to book their overseas calls early. Tommy has proved popular with young and old.

SCOTTY EXPLAINS STOCK PURCHASE

One of the most recent appearances of Scotty, symbol for the Minnesota Mining and Manufacturing Company, has been in an attractive booklet explaining the company's stock purchase plan for employees. Scotty asks questions and also provides answers. He livens the pages, too, of the handbook for salaried employees.

Scotty popped up first, however, in 3M's advertising. The company had been marketing varieties of "Scotch" adhesive tapes for about twenty years when it was decided to develop a character to brighten and personalize promotion pieces. The Scotch trademark and the plaid dispenser in which the tape is sold suggested quite logically a character dressed in Scotch togs. The object was simply to find a cheerful, colorful symbol that would attract attention.

The company's ad men presented the idea to several Twin Cities commercial artists. The design which was accepted late in 1944 and which is still used was produced by Roland Rustad, art director of the company's account at Batten, Barton, Durstine & Osborne, advertising agency. To insure consistency in drawing, the figure was assigned to Ray Tollefson, a free-lance illustrator in Minneapolis, who has done nearly all the characters since.

While Scotty was designed to help sell a group of products, he proved so popular with employees that it was decided to use him in explaining company policies and practices. Thus he was drafted for internal employee publications. The illustration in this article shows him in black and white. In the 3M publications his plaid is a gay red and black.

DANNY DIESEL A NEWCOMER

Danny Diesel is a comparative newcomer in the group of company symbols. He first appeared in March, 1948, in local advertising of the Caterpillar Tractor Company and four months later in *News and Views*, employees' publication.



"We had long felt the need for a personalized symbol," writes an executive of the company, "which could be used in advertisements, company messages, employee publications, etc. We wanted a character who was representative of our company and

its principal product, who was strong and yet warm and friendly, and who all-in-all captured the friendly, cooperative spirit which we believe prevails among employees."

Fred Jolly, assistant director of community relations for Caterpillar, created the figure which answered these specifications. He had been thinking about the symbol for several years, he says, and in 1947 his ideas were crystallized to the point where he discussed them with the artist and account executive of the Hosler Advertising Agency. "I told them," he explains, "that I wanted an animated tractor, one which would use the tracks for its feet and radiator for its face. I wanted a burly he-man character with hair on his arms, but I wanted him to be friendly and bright looking. I wanted him to wear a shop cap, or carry it in his hand, as a distinguishing mark.

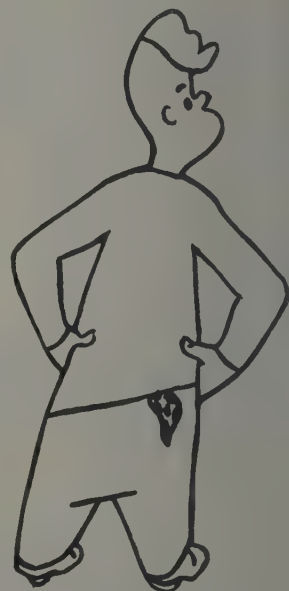
"I even drew simple, rough sketches of the char-

acter which I felt should be able to represent Caterpillar in almost any way that the word could be used. I mean by that, if I wanted to illustrate a story or advertisement where Caterpillar employees were used, the character would symbolize Caterpillar employees. The same would be true in the case of Caterpillar stockholders, customers, products or management. . . . The very first drawing submitted by the artists was almost exactly what I had in mind. It very quickly developed that by simply changing the character's hat or giving him something to carry, like a brief case or satchel, we could identify him as a Caterpillar customer, stockholder, medical director, or others."

Danny acquired his name through an employees' contest held last summer. In a two-page spread in *News and Views*, the company symbol was shown clutching his head and asking, "Who am I?" "Sure, you've seen me around a lot," the copy went on, "but what's my name? You don't know? Neither do I. I don't have a name. So here's your chance to name me and win yourself a prize—some extra money for that vacation trip."

Cash awards of \$100, \$50 and \$25 were offered for the best suggestion. More than 3,300 entries were turned in, and, in a late July issue of the magazine, the character announced triumphantly, "I'm Danny Diesel. Yep, I have a name at last and I'm feeling mighty good about it." The second and third prize-winning suggestions were "Hy Power" and "Mr. Tug."

Danny Diesel has appeared in advertisements, in many employee publications, on public relations boards and on slides which are shown to visitors to the factory. He acted as host at the company's open house last summer and is used as an inquiring reporter conducting interviews published in the employee magazine. Currently, he is also being used regularly in the editorial column of the magazine to carry punchy, timely messages. The editorial is always very short, only one or two brief paragraphs, under the caption "Danny Diesel Says" and is accompanied by an illustration of the symbol. Danny, it



Elesco Joe never hesitates to ask questions



is believed, can say some things better than either the editor of the magazine or the president of the company.

ELESCO JOE A REPORTER

Elesco Joe, like Danny Diesel, is an experienced reporter. He was created for the job of presenting information in an employee manual for employees of Superheater, Inc. (now Combustion Engineering-Superheater, Inc.). The works manager and personnel director of the company, in planning the handbook, decided that "how you say it" determines the success or failure of many an employee communication.

In the quest for a new method of presentation, they sought the advice of Newcomb and Sammons, who were acting as consultant editors of the company's employee publication. In a series of conferences it was decided that a symbolical character, by various attitudes and expressions, might be used to illustrate an employee in the plant. An artist in the employ of Newcomb and Sammons made the design, which was named Elesco Joe. Elesco is the trademark for products manufactured by the company, derived from the initial sounds of the organization's original name, Locomotive Superheater Company.

Photographs were taken of various operations and locations throughout the plant, and the artist then superimposed upon them the figure of Elesco Joe. In each instance the character was given a pose in keeping with the particular operation that was being illustrated. If the scene showed welding, for example, Elesco Joe was equipped with welder's mask and made a part of the operation. The handbook, which is entitled "The Story of Elesco Joe," is made up largely of photographs showing Joe's progress through the works, becoming acquainted with plant processes.

At the company's open house last October, Elesco Joe pointed the way. He appears on bulletin boards and has been cast in aluminum bronze to decorate ash trays and paper weights. Wherever it is desirable to direct an employee's attention to a fact—there you are likely to bump into Elesco Joe. The men in the shop refer to him jokingly in all sorts of ways. "He seems to have gained stature within our organization," comments a company executive, "to mean about the same thing that GI Joe did to the American army during the last World War."

DERIVATION OF INDIAN CHIEF

The Indian chief who stands for the State Farm Insurance Companies of Bloomington, Illinois, has a derivation quite different from the company symbols thus far described.

It seems that A. W. Tompkins, now agency vice-president of the companies, prior to his employment at State Farm in 1931, had lived in South Dakota. At that time there were three Indian reservations in the state, and Indian names and terminology were commonly used. Mr. Tompkins began using the term, "Chief" when referring to G. J. Mecherle, founder and now chairman of the board of directors of the State Farm Insurance Companies. Others followed his example.

For many years the companies have had a large employees' chorus. A part of this became known as the "Chief's Men." On the breast pocket of their white tuxedo jackets is emblazoned an emblem consisting of an Indian chief's headdress. At one time, too, the companies sold a Chief Policy.

In 1939, Mr. Mecherle was made an honorary chief of the Winnebago tribe and presented with a full headdress. The name bestowed upon him, Wa-Nik-Ska-Ka (meaning Chief Whitehawk) was given to the new recreational park for State Farm employees which was opened last year. Two authentic Winnebago totem poles stand at the entrance.

Because the Indian motif was being so generally employed, it was natural to begin using an Indian chief to represent the companies as a whole in enlivening employee communications.

REPRESENTS FRIENDLY SERVICE

Mr. Friendly, the tall gentleman with white vest, derby hat, ribbon-attached glasses and umbrella, represents the American Mutual Liability Insurance Company.

This genial character with broad smile that never comes off came to life in 1943. He represents American Mutual's "spirit of prompt, friendly service" to its policyholders. Designed by members of the staff of the McCann-Erickson advertising agency, the sym-

(Continued on page 86)

Trends In Employee Benefit Plans

Clothing Workers' Pension Upped

Beginning with 1950, clothing workers covered by the agreement between the Amalgamated Clothing Workers (CIO) and the Clothing Manufacturers Association will receive an additional retirement benefit of twenty dollars a month upon retirement. This, together with the Social Security benefit, will bring the average pension up to one hundred dollars a month. Approximately 150,000 workers are covered by the agreement.

The social insurance benefits started in 1943, with pensions added in 1947. Pensions are financed by 3% pay-roll contributions of employers, while the insurance feature is based upon an additional 2% pay-roll contribution. During the period that these two plans have been in operation, \$60 million has been accumulated in reserve, of which \$35 million is earmarked for pensions.

A joint statement by the presidents of the union and of the employers' association points out that:

"We have constantly sought on an actuarial basis to introduce new benefits and increase old ones. This we have been able to do while observing sound insurance practices. We have been building up the necessary reserves so that payments, in every phase of our insurance program, can be made promptly and effectively."

The increased pension will also apply to the 3,575 persons who have already retired under the plan.

Arguments for Noncontributory Plan

After careful study, the management of the Bethlehem Steel Corporation reached the conclusion that a noncontributory pension plan is better than a contributory one, according to a report to stockholders dated December 19, 1949. The company has had a noncontributory pension plan since 1923. The arguments in favor of a noncontributory pension plan, as set forth in the statement, are as follows:

"Bethlehem's experience has shown that only a relatively small percentage of employees will normally ever receive pensions, because the great majority of them either die or otherwise terminate their employment before they reach a pensionable age. An important problem under contributory pension plans is what to do with the contributions made by those employees who never become pensioners. It is generally recognized that they should be regarded as having some equity in the moneys which they have contributed, and some contributory plans provide for a refund of their

contributions, with or without interest, upon their death or leaving for other employment prior to being placed on the pension roll. It is obvious, however, that under a contributory plan the aggregate amount of the contributions made by those employees who ultimately receive pensions is only a small part of the total cost of their pensions. Accordingly, under such a plan which provides for such refunds, unless the contributions which the employees shall make shall be so large as to deter them from participating in it, the employer will bear all except a small part of the cost of the pensions and also bear the expense of, and be required to do the work in connection with, the handling and refunding of contributions to the employees who shall never become pensioners. Other troublesome problems are bound to arise under a contributory pension plan, such as how the fund created by the contributions of the employees and the employer shall be managed and the question of whether insurance covering the obligations to the employees for pensions should be purchased."

Bethlehem's stand on this question is significant in view of the fact that the main issue in the recent steel strike was the employers' demand that the workers share in the cost of the pension plan.

Profit Sharing as Part of Union Agreement

Details of one of the few profit-sharing plans incorporated in a union agreement were received recently by THE CONFERENCE BOARD. The contract, dated May 2, 1949, is between a toy manufacturer and the Playthings, Jewelry and Novelty Workers International Union, CIO.

The profit-sharing clause provides that when the net earnings are in excess of 10.5% of the net sales, 55% of the excess is to be the employees' share, after deducting all expenses and taxes.

Each employee who has been employed for more than thirty consecutive days is eligible to share in the profit-sharing fund. The employees receive a credit of one for each straight hour worked, and one and one half for overtime, excluding Sunday. For Sunday work he receives a credit of two for each straight hour and three for overtime. His share of the profits is the ratio which the sum of his credits bears to the total credits of all participating employees.

The statement of the auditors employed by the company is to be used as the basis for determining the amount of profit available for sharing, and the figures submitted by the auditors are final and binding on the company, the union and the employees.

The profit-sharing clause ends with the following:

"Nothing in this article shall be construed as limiting in any manner the freedom of the executives or the board of directors of the company to take or omit any action which, in their opinion, is for the best long-range or short-range interests of the company."

New Paid Sick-Leave Plan

Beginning January 1, 1950, the Aluminum Company of Canada, Limited, will give sick-leave benefits to hourly paid employees. The daily benefit is calculated at 1/14 of the normal weekly earnings and is paid for a maximum of thirteen weeks. If the incapacity continues beyond thirteen weeks, the employee receives half of the above daily indemnity benefits for an additional thirteen weeks.

All regular hourly paid employees are eligible for these benefits upon completion of one year's continuous service. Benefits are paid for absences caused by illness and nonoccupational accidents. A waiting period of one week is required in cases of sickness, but benefits start immediately for accidents. If the employee is hospitalized, benefits begin on the first scheduled work day on which he is admitted to the hospital.

Retired Employees Covered

Pensioners are now eligible for medical and hospital benefits under the revised rules of the mutual benefit association of the Wisconsin Electric Power Company. Upon subscribing to this feature and paying \$1.25 a month, pensioner-members will be entitled to receive medical service for themselves, their wives and dependent children under eighteen years of age. Upon confinement in a hospital, the retired employee is entitled to receive \$5.50 daily benefits plus extra allowance for incidental expenses. He may also subscribe for hospital care for his wife and dependent children. The company matches the dues paid to the association by the pensioner.

In addition to the above benefits, retiring employees are covered by a \$500 life insurance policy. Previously a death benefit of \$300 was carried for pensioners. This increased death benefit is not available to employees previously retired.

Third Stock Offering

For the third year the American Telephone and Telegraph Company is offering stock to its employees. All employees with three or more months of service are eligible to buy common stock of the company up to a maximum of one share for each full

\$500 of annual basic pay. Employees may not, however, buy more than fifty shares under the three stock offerings.

The purchase price per share will be \$20 below the market price at the time the payments are completed, but in no event will the purchase price be less than \$100 or more than \$150 per share. Stock is paid for by pay-roll deductions of \$5 per share per month, and must be completed by September, 1952. Interest of 2% per annum, compounded semiannually, is allowed on payments.

A total of 2.8 million shares of stock was authorized for sale to employees in 1946. So far 2.2 million shares have either been purchased or are being bought, leaving 600,000 shares available for the current offering.

In the company publication, *Bulletin for Management*, supervisors are instructed not to make statements or express opinions which could be construed as an attempt to influence employees in their decision regarding participation. No charts or analyses are to be displayed to indicate the extent of employee participation.

Profit Losses Explained

One company which has had a profit-sharing plan in successful operation for a number of years is now faced with diminished profits. In line with its policy of keeping employees informed, it has pointed out in an article in its employee magazine why the company is not so prosperous and what can be done to reverse the trend. It highlights its article by a cartoon showing a black cloud blotting out the sun, with the caption "Profit-sharing pool, July-September-October-1949 down 55% from same period last year."

The principal reasons for the lower profits, the article states, are substantially lower sales, and higher cost of some materials used in production. On the favorable side, the article points out that the company is conducting a strong selling campaign and has instituted a company-wide economy drive.

Credit Union Passes Mark of \$2 Million

The Allis-Chalmers credit union's assets now exceed \$2 million. It has now become one of the largest industrial credit unions in the United States. Since its formation in 1934, personal loans have been made to 37,098 individuals for a total of \$5,506,487. Real estate loans of \$199,786 were made by the credit union in 1949.

F. BEATRICE BROWER

Division of Personnel Administration

Labor Press Highlights

Labor Looks at Congress in '49 and '50

THE AFL and CIO papers took time out last month to appraise Congress's probable future actions as well as its past performance. The AFL, in the appraisal, concentrates on domestic issues facing the second session of the 81st Congress. The *League Reporter* (Labor's League for Political Education, AFL) believes that the Taft-Hartley Act is likely to remain on the books during the present congressional session. But it looks for an expansion of the Social Security Act to be passed by the Senate. The outlook is "fair," says the AFL, for middle-income housing; and the "chances are good" for government aid to education, and extension of public power transmission. National health insurance, the Brannan Plan, and "adequate rent control," according to the AFL, have "little or no chance" of passing during this session.

The *CIO News* looks back at the voting records established in the Senate and the House during the first session of the 81st Congress. It classifies the Congressmen as having voted "right" or "wrong", depending upon the CIO position on sixteen Senate and thirteen House bills.

The *News* lists three Senators as having voted contrary to CIO position on every one of the sixteen issues: Bricker (R. Ohio), Butler (R. Neb.), and Williams (R. Del.).

Ten Senators are listed as having voted "wrong," according to the CIO, on all but one of the sixteen issues: Jenner (R. Ind.), Hickenlooper (R. Iowa), Schoeppel (R. Kan.), Kem (R. Mo.), Ecton (R. Mont.), Cordon (R. Ore.), Martin (R. Pa.), Cain (R. Wash.), Eastland (D. Miss.), and Byrd (D. Va.). Ohio's Senator Taft has three "W's" next to his name on the CIO schedule.

The sixteen Senate bills used by the CIO as a measuring stick include these five supported by the CIO: The Lukas anti-injunction amendment to the Taft-Hartley Act; appropriation of public power funds for building of power transmission lines; the confirmation of Leland Olds as a member of the Federal Power Commission; the antifilibuster ruling of Vice-President Barkley, and the military aid program to western European democracies.

Eleven Senate issues were opposed by the CIO: The Taft injunction amendment to the Taft-Hartley Act; the Taft "package" amendment rewriting much of the Taft-Hartley Act; the Ellender 65-cent minimum wage amendment; the Fulbright amendment

on rent control; the Bricker amendment on public housing; the Taft amendment on housing; the McClellan motion to suspend Senate rules; the Wherry plan on Senate rules; the Millikin amendment on trade pacts; the Taft-Russell amendment to trim ECA appropriations by 10%, and the Cain-Eastland amendment to the displaced persons bill.

Economic Estimate of 1950

AFL *Labor's Monthly Survey* calls 1950 "the test year for free enterprise." The report forecasts that purchasing power will reach a level of \$253 billion. Full production, says the AFL, would create \$276 billion in goods. The \$23 billion gap is interpreted by the AFL to mean average unemployment of 5.1 million persons. To offset the unemployment it sees, *Labor's Monthly Survey* makes these three suggestions: A gradual price decline to release more buying power; continued spending by business to improve equipment and thus maintain employment and increased productivity, and a reduction in taxes paid by consumers.

Chicago Leader Quits UE and CP

The expelled UE's Chicago bailiwick was "rocked" by the simultaneous resignation of its two leaders, according to *The IUE-CIO News* (International Union of Electrical Radio and Machine Workers, CIO): "The bombshell revolt left the Communist party apparatus in the Chicago area and UE's national leadership stunned with disbelief and fearful that the action foreshadows similar rebellion on the part of other UE left-wing leaders throughout the country." The IUE paper reports that the field representative of UE's local 1150, Lee Lundgren, in his resignation letter to UE stated: "Simultaneously, I have sent in my resignation to the Communist party. . . . The policies of the UE and the Communist party are leading the workers down the drain."

44-Cent Checks Spark Organizing Drive

Hundreds of nonunion engineers last month received 44-cent "parity checks"—cashable at any bank—from the AFL Federation of Technical Engineers, Architects, and Draftsmen, according to a report in *Labor* (AFL and independent railroad unions). The novel organizing device, explains union president Stanley W. Oliver, is to show unorganized engineers how much their dollars have fallen behind those of doctors, lawyers, and organized laborers.

Import Program Is Seen as Job Threat

Faced with the third round of tariff cuts in 1950, the Wage Earners Protective Conference met last month, reports the *Union Labor Record* (AFL, Mo.) to explore "alternative means of correcting the trade balance without bringing unemployment and depression to numerous industrial areas in

this country." The WEPC was started by the AFL and is headed by Matthew Woll, second vice-president of the AFL. Participating in the conclave, according to the report, were "management and labor representatives of industries that will bear the brunt of increased competition from abroad: pottery and glassware, fisheries, millinery, scientific instruments, jewelry, photoengraving, matches and wallpaper."

Six CIO Unions Lose "Good Standing"

Six CIO national unions—all facing charges of Communist domination—are no longer in good standing, reports *The CIO News*. The reason: They are two or more months in arrears in paying the CIO monthly per capita dues. The CIO unions involved are the Office and Professional Workers; the Public Workers; Food, Tobacco and Agricultural Workers;

the Longshoremen; the Mine, Mill and Smelter Workers; and the Furniture Workers.

AFL Creates First Official Education Department

Merger of the Workers Education Bureau with the AFL as its department of education will take place soon, reports the *East Tennessee Labor News* (AFL). As an independent body, the bureau headed by John D. Connors was long recognized as the AFL's educational unit, says the report. Mr. Connors will continue as head of an expanded AFL department of education, the first such department in AFL history.

HAROLD STIEGLITZ

Division of Personnel Administration

Five-Cent Increases Lead for Month

OF THE ninety-three contract settlements reviewed by THE CONFERENCE BOARD from mid-December to mid-January, over one half provided wage increases and one third called for fringe benefits only. Nine of the agreements were renewed without any changes, while only one recorded a decrease in wages. As usual, five cents leads the other increases.

INCREASES FOR AIRCRAFT

Several contracts were negotiated in the aircraft industry that provided both pay raises and social insurance programs. The Bell Aircraft Corporation and the UAW-CIO agreed to a raise of two and a half cents an hour, retroactive to October 20, 1949. The company also consented to pay two and a half cents into an insurance program. The two-year contract signed by Chance Vought Aircraft and the UAW-CIO provides 4,100 workers with an additional five cents an hour; however, that of the Curtiss-Wright Corporation and the independent International Association of Machinists ups the wages of 2,800 employees by four cents. The insurance programs of these companies differ in that the Curtiss-Wright plan is noncontributory, while the cost of Chance Vought's benefits are shared equally by the company and the workers.

The increase affecting the largest group of workers was that of five cents an hour awarded to the Continental Can Company's 10,000 CIO Steelworkers. In addition to the raise, the workers benefited by a non-contributory pension plan. A minimum of \$100 a month including Social Security will be paid to those employees who are sixty-five years old with twenty-five years' service.

There have been no recent changes in wages in the

textile mills in New England. However, the Needle Trades Employers Association representing twenty-seven plants in this area granted ten cents an hour to 4,000 AFL Ladies' Garment Workers. In addition to a seventh paid holiday, workers will receive time and a half for those holidays worked.

BENEFITS AFFECT LARGE COMPANIES

Benefits were more common among the larger companies. A few of the companies in which pension plans were instituted are: the Budd Company, Philco Corporation, Pittsburgh Plate Glass Company, Libby-Owens Ford and Johnson & Johnson. A total of approximately 66,000 workers were recorded as having profited by benefits only during this latest survey period.

Contracts that were renegotiated without change affect 12,000 CIO United Shoe Workers in sixty-five plants in eastern Massachusetts and 18,000 AFL potters. The potters' contract, which expires in October, 1951, provides for a wage reopening.

WAGE DECREASE

The CIO furriers' union had its wages cut 11% on January 1, 1950. This lower seasonal scale will be in effect until June 16. This is the first revival of the "two-price" system since the beginning of the war. Under this system lower wages were paid for the slack season which ran from the beginning of January to mid-June. The 12,000 furriers, who have been averaging \$3 an hour for a 35-hour week, expect to have their wages raised in June.

DORIS K. LIPPMAN

Statistical Division

Factory Earnings at Peak

MORE workers, higher earnings and longer hours were reported by all manufacturing industries in December. This general upswing from November levels was accompanied by a sharp drop in the total number of work stoppages and man-days lost, according to the Bureau of Labor Statistics. Secondary effects of the steel strike were not so noticeable in December as they were in November. Iron and steel production soared to near-capacity levels. Automobile manufacturing activity reflected both the renewed availability of materials and the termination of model changeover shutdowns.

Hourly earnings were higher at the year's end than ever before—\$1.412 for all production workers in manufacturing industries. This represented a gain of 1.5% over the previous month, and 35% since January, 1945, when wartime wages reached their peak. Working hours dipped from 45.4 to 39.8 in the corresponding period. Thus, with the effect of premium overtime payments discounted, the actual rise in hourly rates comes into clearer focus.

From November to December, hourly earnings improved in all manufacturing classifications, except leather. Among the more substantial increases were, a 3.4-cent rise for apparel workers, an additional 3.1

cents for transportation equipment workers, and 2 cents for those engaged in primary metal manufacturing. Working hours generally moved in the same direction, thereby providing opportunity for overtime allowances in the majority of industries. The average work week was extended to 39.8 hours in December. This was the highest for the year.

Weekly earnings also rose to an unprecedented level, reflecting the higher hourly rates and longer hours. The primary metal and transportation equipment industries again scored the greatest gains—about \$4.50 and \$3.50, respectively—after a dip that came in the wake of the steel walkouts.

HEAVY GOODS EMPLOYMENT UP

While soft goods industries reported a lowered employment level in December, the durable goods group added 282,000 workers to their pay rolls. About 90% of these were in primary metals and restored their ranks to prestrike proportions. The only other significant increase in employment took place in the transportation equipment industry where 39,000 accessions were reported. These occurred mostly in automobile plants.

Preparations for the spring season effected an in

TABLE 1: HOURS AND GROSS EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS IN MANUFACTURING INDUSTRIES, DECEMBER, 1949

Source: Bureau of Labor Statistics

Industry Group ¹	Average Weekly Earnings ² (In Dollars)			Average Weekly Hours ²			Average Hourly Earnings ² (In Dollars)		
	Dec., 1949p	Nov., 1949	Dec., 1948	Dec., 1949p	Nov., 1949	Dec., 1948	Dec., 1949p	Nov., 1949	Dec., 1948
ALL MANUFACTURING	56.20	54.53	56.14	39.8	39.2	40.1	1.412	1.391	1.400
Durable goods	59.31	57.00	59.67	40.1	39.2	40.7	1.479	1.454	1.466
Electrical machinery	58.87	57.26	58.10	40.8	39.9	40.4	1.443	1.435	1.438
Fabricated metal products (exc. ord., mach. and trans. equip.)	59.48	56.80	59.57	40.3	39.2	41.0	1.476	1.449	1.453
Furniture and fixtures	51.66	50.72	50.76	41.9	41.3	41.2	1.233	1.223	1.234
Instruments and related products	57.37	56.64	55.24	40.2	40.0	40.0	1.427	1.416	1.381
Lumber and wood products (except furniture)	53.25	52.40	51.13	41.7	41.1	41.0	1.277	1.275	1.247
Machinery (except electrical)	61.06	59.17	62.80	39.6	38.5	41.1	1.542	1.537	1.528
Ordnance and accessories	60.67	59.82	58.62	40.5	40.2	41.4	1.498	1.488	1.416
Primary metal industries	61.73	57.32	64.12	38.7	36.6	40.3	1.595	1.566	1.591
Stone, clay, and glass products	55.22	55.14	55.72	39.9	39.9	41.0	1.384	1.382	1.359
Transportation equipment	66.46	63.08	66.21	39.3	38.0	40.1	1.691	1.660	1.651
Nondurable goods	53.02	52.02	51.84	39.6	39.2	39.3	1.339	1.327	1.319
Apparel and other finished textile products	42.54	40.63	42.95	36.3	35.7	35.7	1.172	1.138	1.203
Chemicals and allied products	59.78	59.57	58.35	41.6	41.6	41.8	1.437	1.432	1.396
Food and kindred products	54.76	54.07	53.84	41.3	41.4	41.9	1.326	1.306	1.283
Leather and leather products	42.26	40.08	42.41	37.2	35.1	37.1	1.136	1.142	1.143
Paper and allied products	58.44	58.22	56.66	43.1	43.0	42.6	1.356	1.354	1.330
Printing, publishing, and allied industries	72.90	70.96	69.30	39.3	38.5	39.6	1.855	1.843	1.750
Products of petroleum and coal	71.24	71.94	71.59	39.4	39.9	40.4	1.808	1.803	1.772
Rubber products	59.66	58.10	57.67	39.3	38.5	38.5	1.518	1.509	1.498
Textile-mill products	47.52	47.16	45.93	39.7	39.5	38.4	1.197	1.194	1.196
Tobacco manufactures	39.21	38.49	37.50	38.4	38.0	38.3	1.021	1.013	.979

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

²Revised series.

pPreliminary.

TABLE 2: PRODUCTION-WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES, DECEMBER, 1949

Source: Bureau of Labor Statistics

Industry Group ¹	Employment ² (In Thousands)			
	Dec., 1949 _p	Nov., 1949	Oct., 1948	Dec., 1948
ALL MANUFACTURING	11,482	11,256	11,367_r	12,578
Durable goods.....	5,971	5,689	5,653 _r	6,845
Electrical machinery.....	532	547	549	643
Fabricated metal products (exc. ord., mach. and trans. equip.).....	678	666	676 _r	801
Furniture and fixtures.....	285	283	284	297
Instruments and related products.....	173	174	174	196
Lumber and wood products (except furniture).....	678	690	689 _r	720
Machinery (except electrical).....	921	908	922 _r	1,179
Ordinance and accessories.....	16.9	17.3	18.1	23.6
Primary metal industries.....	973	791	562 _r	1,101
Stone, clay, and glass products.....	412	411	411 _r	451
Transportation equipment.....	920	881	985 _r	1,048
Nondurable goods.....	5,511	5,567	5,714 _r	5,733
Apparel and other finished textile products.....	1,038	1,029	1,082 _r	1,040
Chemicals and allied products.....	482	485	488	526
Food and kindred products.....	1,125	1,182	1,271 _r	1,171
Leather and leather products.....	333	332	349 _r	354
Paper and allied products.....	391	393	392 _r	409
Printing, publishing, and allied industries.....	501	499	500 _r	509
Products of petroleum and coal.....	184	187	185	189
Rubber products.....	186	186	186 _r	206
Textile-mill products.....	1,183	1,185	1,169 _r	1,236
Tobacco manufactures.....	88	89	92	93

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.

²Revised series.

Revised.

Preliminary

crease of 9,000 production employees in apparel factories, whereas a mid-winter lag occurred in food plants. This caused employment in the latter category to slip considerably for the fourth consecutive

month. Between November and December, the decrease totaled 57,000 workers.

ELIZABETH M. CASELLI,
Statistical Division

Personnel Briefs

Emergency Aid to Employees

Employees of the Lockheed Aircraft Corporation in California receive aid in time of emergency through their Buck-of-the-Month Club, an employees' organization that collects 25 cents a week from each of its members through pay roll deductions.

The club was organized early in 1942 to enable employees to participate in worthy charities and to save time by eliminating all other fund-raising campaigns. Since that time, the club has contributed a total of more than two million dollars to community chests and other charitable and relief organizations. Nearly a quarter of a million dollars has been additionally expended on employee welfare.

Up to 75% of the total fund can be used, if necessary, to give temporary assistance to needy and distressed Lockheed employees and to members of their immediate families. The maximum benefit that may be extended to an employee who is not a member of the club is \$50, and to members, \$500 per case. In the event of extreme distress, the \$500 can be ex-

ceeded, up to a limit of \$1,000, by unanimous vote on part of the fund's executive committee.

Officers of the club serve without pay. The club pays for bonding the disbursing officers and for a regular audit, but the company pays all other overhead.

Films Boost Safety Record

Employees of the Borger Refinery of the Phillips Petroleum Company (Bartlesville, Oklahoma) have completed 1,314,700 man hours of work without a disabling accident. Much of the credit for this record is attributed by company officers to a broad safety-training program for recently hired workers. As part of this program, ten sound strip films were made of actual plant operations, covering such subjects as furnaces, clay towers, piping, and heat exchangers. A discussion followed the showing of each film. Finally, the group performed the actual work shown in the picture, observing the demonstrated safe practices.

Consumers' Prices Dip

CONSUMERS' prices decreased 2.3% in 1949. This is the first year since price controls went off that any January-December period showed a decrease.

The index reached its all-time high (166.5) in August-September, 1948; since then it has decreased 4.4%.

Food, the most heavily weighted component of the index, was up and down the ladder all year. The largest change in the food index occurred in October when the index recorded a 2.7% decrease. From November to December food went down 1.5%, the third largest decrease for the year. (February decreased 2.1%.) Rises occurred in butter and cheese but all other dairy products and meats showed declines in December. These were offset in part by increases in most vegetables, sugar and coffee.

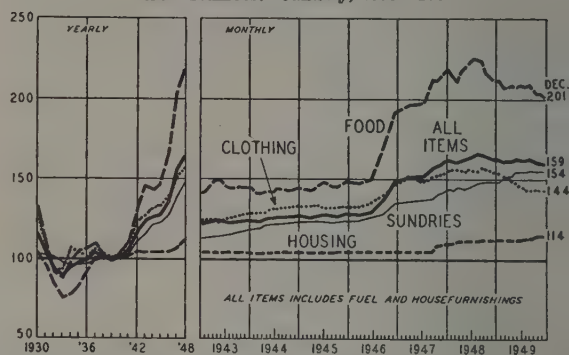
The clothing index edged downward in 1949, totaling a decrease of 7.5%. The November to December dip of 0.1% brought the index down to 143.6. There were no significant changes in men's and women's clothing for the month of December.

HOUSEFURNISHINGS UP

In December, housefurnishings broke the continuous downward movement of the first eleven months of 1949, with an increase of 0.2%. Rugs were the only item to show an appreciable increase. Continued rising costs of carpet wool may force further increases

Consumers' Price Index

Source: THE CONFERENCE BOARD
Index Number: January, 1939 = 100



in 1950. The rise in the fuel index was due to increases in soft and hard coal.

Since the all-items index went down 0.6%, the purchasing value of the dollar increased in the same proportion (0.6%). The 1949 average purchasing value of the dollar was 62.0 cents (January, 1939 = 100); 42 cents was spent for food, 13 cents for housing, 9 cents for clothing, 5 cents for fuel, 4 cents for housefurnishings, and 27 cents for sundries.

SHIRLEY FASS
Statistical Division

CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, January, 1939 = 100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1948 December.....	162.9	211.6	111.2	155.3	166.9	145.5	126.8	90.4	95.4	157.6	151.9	61.4
Annual average.....	163.7	217.9	110.6	156.0	167.8	146.1	123.5	90.1	94.5	156.9	148.1	61.1
1949 January.....	162.9	211.3 ^a	112.1	153.7	165.3	143.9	128.8	90.4	100.7	157.1	151.7	61.4
February.....	161.2	206.8	112.1	152.3	164.6	141.8	129.5	91.0	101.1	156.3	151.6	62.0
March.....	161.4	207.7	112.1	150.8	163.2	140.2	129.3	91.0	101.1	154.4	151.9	62.0
April.....	161.4	208.7 ^b	112.3	148.7	161.9	137.7	127.9	91.0	101.3	153.1	151.9	62.0
May.....	161.6	208.2 ^c	112.3	147.8	160.7	136.9	126.8	91.9	101.8	151.8	153.9	61.9
June.....	161.7	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.1	61.8
July.....	161.2	207.8 ^d	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.1	62.0
August.....	161.3	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	154.3	62.0
September.....	161.9	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	154.6	61.8
October.....	160.2	204.0 ^e	113.6	144.0	156.5	133.3	128.8	92.3	101.9	147.4	154.5	62.4
November.....	160.2 ^f	204.0 ^g	113.6	143.8	156.4	133.1 ^h	129.5	92.4	102.0	147.2	154.5 ⁱ	62.4
December.....	159.2	201.0	113.6	143.6	156.2	132.9	130.1	92.4	102.0	147.5	154.4	62.8

Percentage Changes

Nov., 1949 to Dec., 1949...	-0.6	-1.5	0	-0.1	-0.1	-0.2	+0.5	0	0	+0.2	-0.1	+0.6
Dec., 1948 to Dec., 1949...	-2.3	-5.0	+2.2	-7.5	-6.4	-8.7	+2.6	+2.2	+6.9	-6.4	+1.6	+2.3

^aRents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^cBased on food prices for Jan. 13, 1949.

^dBased on food prices for April 14, 1949.

^eBased on food prices for May 16, 1949.

^fBased on food prices for July 14, 1949.

^gBased on food prices for Oct. 13, 1949.

^hRevised

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949		Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949
Akron						Chicago					
Food.....	205.6	207.7	216.0	-1.0	-4.8	Food.....	208.1	213.0 ^r	216.6 ^r	-2.3	-3.9
Housing ¹	123.8	123.8	121.3	0	+2.1	Housing ¹	120.5	120.5	120.5	0	0
Clothing.....	143.5	143.5	154.9	0	-7.4	Clothing.....	142.4	142.6 ^r	155.4	-0.1	-8.4
Fuel ²	157.9	155.6	155.7	+1.5	+1.4	Fuel ²	113.8	113.0	111.5	+0.7	+2.1
Housefurnishings.....	131.0	130.5 ^r	135.1	+0.4	-3.0	Housefurnishings.....	143.1	142.5	152.6 ^r	+0.4	-6.2
Sundries.....	153.8	153.8 ^r	152.9	0	+0.6	Sundries.....	158.8	158.7 ^r	154.6	+0.1	+2.7
Weighted Total.....	162.1	162.5	165.8	-0.2	-2.2	Weighted Total.....	162.0	163.5 ^r	165.0	-0.9	-1.8
Atlanta						Cincinnati					
Food.....	196.9	202.8	216.5	-2.9	-9.1	Food.....	200.3	202.9 ^r	209.2	-1.3	-4.3
Housing ¹	113.5	113.5	108.8	0	+4.3	Housing ¹	115.2	115.2	110.8	0	+4.0
Clothing.....	130.2	130.2	142.6	0	-8.7	Clothing.....	156.4	156.8	166.4	-0.3	-6.0
Fuel ²	139.7	129.8	137.4 ^r	+7.6	+1.7	Fuel ²	145.8	143.9	135.7	+1.3	+7.4
Housefurnishings.....	147.0	147.0	151.2	0	-2.8	Housefurnishings.....	148.0	148.0	148.6	0	-0.4
Sundries.....	143.9	143.8 ^r	138.5	+0.1	+3.9	Sundries.....	153.9	153.9 ^r	152.1	0	+1.2
Weighted Total.....	153.0	154.1 ^r	157.5 ^r	-0.7	-2.9	Weighted Total.....	161.9	162.7	164.2	-0.5	-1.4
Baltimore						Cleveland					
Food.....	204.2	205.3	212.3	-0.5	-3.8	Food.....	201.1	203.5 ^r	210.3 ^r	-1.2	-4.4
Housing ¹	110.1	110.1	110.1	0	0	Housing ¹	116.9	116.9	116.7	0	+0.2
Clothing.....	143.7	145.0	153.8	-0.9	-6.6	Clothing.....	151.0	151.3	165.4	-0.2	-8.7
Fuel ²	151.2	150.6	148.0 ^r	+0.4	+2.2	Fuel ²	138.1	137.3	135.8	+0.6	+1.7
Housefurnishings.....	164.2	163.6 ^r	170.0	+0.4	-3.4	Housefurnishings.....	155.7	155.8 ^r	163.0	-0.1	-4.5
Sundries.....	145.2	145.6	143.6	-0.3	+1.1	Sundries.....	152.3	152.4 ^r	151.3	-0.1	+0.7
Weighted Total.....	160.5	161.1 ^r	164.0 ^r	-0.4	-2.1	Weighted Total.....	159.8	160.5 ^r	164.0	-0.4	-2.6
Birmingham						Dallas					
Food.....	204.2	207.6	219.7	-1.6	-7.1	Food.....	208.5	211.0 ^r	219.6	-1.2	-5.1
Housing ¹	121.6	121.6	121.5	0	+0.1	Housing ¹	150.6	150.6	115.1	0	+30.8
Clothing.....	146.5	146.9	156.5	-0.3	-6.4	Clothing.....	145.9	146.3 ^r	159.2	-0.3	-8.4
Fuel ²	127.9	127.9	126.4	0	+1.2	Fuel ²	89.1	89.1	89.1	0	0
Housefurnishings.....	146.9	147.0	156.2	-0.1	-6.0	Housefurnishings.....	145.4	145.2	154.7	+0.1	-6.0
Sundries.....	140.7	140.9 ^r	136.6	-0.1	+3.0	Sundries.....	153.0	153.0 ^r	146.5	0	+4.4
Weighted Total.....	156.2	157.3	160.9	-0.7	-2.9	Weighted Total.....	162.4	163.1	158.9	-0.4	+2.2
Boston						Dayton					
Food.....	190.6	192.7	198.8 ^r	-1.1	-4.1	Food.....	196.0	196.8	202.3	-0.4	-3.1
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	117.5	117.5	117.5	0	0
Clothing.....	139.2	139.4	147.4	-0.1	-5.6	Clothing.....	138.3	138.3	150.5	0	-8.1
Fuel ²	158.6	158.6	159.6 ^r	0	-0.6	Fuel ²	142.6	140.2	141.9	+1.7	+0.5
Housefurnishings.....	153.6	152.9	162.4 ^r	+0.5	-5.4	Housefurnishings.....	152.5	152.5	163.2	0	-6.6
Sundries.....	151.1	151.0	146.5	+0.1	+3.1	Sundries.....	143.4	143.5	140.7	-0.1	+1.9
Weighted Total.....	157.8	158.5	160.6 ^r	-0.4	-1.7	Weighted Total.....	154.7	154.8	157.9	-0.1	-2.0
Bridgeport						Denver					
Food.....	195.2	197.8	206.0 ^r	-1.3	-5.2	Food.....	202.9	207.8 ^r	216.1	-2.4	-6.1
Housing ¹	107.2	107.2	107.1	0	+0.1	Housing ¹	113.4	113.4	113.4	0	0
Clothing.....	138.4	138.4	149.7	0	-7.5	Clothing.....	151.8	152.4	158.2 ^r	-0.4	-4.0
Fuel ²	140.2	143.9	151.7 ^r	+0.2	-1.6	Fuel ²	105.4	105.4	105.1	0	+0.3
Housefurnishings.....	144.2	144.7	155.6	-0.3	-7.3	Housefurnishings.....	139.5	139.8	153.5	-0.2	-9.1
Sundries.....	170.6	170.6 ^r	168.8	0	+1.1	Sundries.....	147.4	150.2 ^r	146.2	-1.9	+0.8
Weighted Total.....	160.6	161.4 ^r	165.3 ^r	-0.5	-2.8	Weighted Total.....	156.0	158.5	160.9	-1.6	-3.0
Buffalo						Des Moines					
Food.....	218.7	222.2	224.7	-1.6	-2.7	Food.....	210.4	205.6	209.5	-2.0	-3.9
Housing ¹	121.1	121.1	117.8	0	+2.8	Housing ¹	109.9	109.9	107.7	0	+2.0
Clothing.....	142.3	142.4	151.3	-0.1	-5.9	Clothing.....	153.5	153.4	165.7	+0.1	-7.4
Fuel ²	144.7	144.9	144.2	-0.1	+0.3	Fuel ²	152.5	150.8	150.5 ^r	+1.1	+1.3
Housefurnishings.....	145.0	145.0	156.9	0	-7.6	Housefurnishings.....	147.8	146.3	160.7	+1.0	-8.0
Sundries.....	154.7	154.7 ^r	149.5	0	+3.5	Sundries.....	149.3	149.3 ^r	145.7	0	+2.5
Weighted Total.....	165.9	167.0	167.2	-0.7	-0.8	Weighted Total.....	157.3	158.2 ^r	159.7	-0.6	-1.5
Chattanooga						Detroit					
Food.....	203.6	209.7 ^r	220.8	-2.9	-7.8	Food.....	205.9	204.7 ^r	215.2	+0.6	-4.3
Housing ¹	124.2	124.2	103.7	0	+19.8	Housing ¹	114.8	114.8	109.9	0	+4.5
Clothing.....	130.7	130.7	151.9 ^r	0	-14.0	Clothing.....	142.2	142.6 ^r	154.2	-0.3	-7.8
Fuel ²	134.7	134.1	133.0	+0.4	+1.3	Fuel ²	148.4	146.7	147.4	+1.2	+0.7
Housefurnishings.....	107.2	103.8	141.6	+3.3	-24.3	Housefurnishings.....	150.1	149.6	164.7	+0.3	-8.9
Sundries.....	141.5	141.4 ^r	138.5	+0.1	+2.2	Sundries.....	165.2	165.2 ^r	162.8	0	+1.5
Weighted Total.....	154.2	155.8 ^r	158.9	-1.0	-3.0	Weighted Total.....	162.9	162.4	165.9	+0.3	-1.8

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949		Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949
Duluth						Kansas City, Mo.					
Food.....	197.4	200.7 _r	207.4 _r	-1.6	-4.8	Food.....	186.4	189.6	198.3 _r	-1.7	-6.0
Housing ¹	112.9	112.9	102.3	0	+10.4	Housing ¹	110.3	110.3	108.4	0	+1.8
Clothing.....	153.6	153.5	164.7	+0.1	-6.7	Clothing.....	149.6	149.7	160.2	-0.1	-6.6
Fuel ²	149.3	148.5	151.0	+0.5	-1.1	Fuel ²	119.8	119.8	121.4	0	-1.3
Housefurnishings.....	156.5	156.5	173.0	0	-9.5	Housefurnishings.....	138.5	138.5	146.7	0	-5.6
Sundries.....	147.9	148.0 _r	144.9	-0.1	+2.1	Sundries.....	152.6	153.0 _r	152.6	-0.3	0
Weighted Total.....	160.3	161.3	163.4	-0.6	-1.9	Weighted Total.....	152.2	153.2	156.9 _r	-0.7	-3.0
Erie, Pa.						Lansing					
Food.....	212.9	217.9	223.1	-2.3	-4.6	Food.....	209.0	209.3	226.4	-0.1	-7.7
Housing ¹	123.2	123.2	123.2	0	0	Housing ¹	109.1	109.1	102.1	0	+6.9
Clothing.....	167.0	167.0	172.2	0	-3.0	Clothing.....	143.6	143.9	153.1	-0.2	-9.2
Fuel ²	153.7	153.7	155.1	0	-0.9	Fuel ²	141.0	139.9	136.0	+0.8	+3.7
Housefurnishings.....	146.5	145.6	158.7	+0.6	-7.7	Housefurnishings.....	152.6	151.8	164.5	+0.5	-7.2
Sundries.....	162.6	162.8 _r	157.1	-0.1	+3.5	Sundries.....	158.0	158.3 _r	157.1	-0.2	+0.6
Weighted Total.....	170.4	172.0	173.2	-0.9	-1.6	Weighted Total.....	158.9	159.0 _r	164.0	-0.1	-3.1
Fall River						Los Angeles					
Food.....	189.4	192.6 _r	198.9	-1.7	-4.8	Food.....	198.4	201.5	217.4	-1.5	-8.7
Housing ¹	106.9	106.9	106.9	0	0	Housing ¹	111.9	111.9	111.9	0	0
Clothing.....	154.8	154.3	170.6 _r	0	-9.3	Clothing.....	139.0	139.0	146.0	0	-4.8
Fuel ²	144.6	146.7	150.3	-1.4	-3.8	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	128.4	128.4	140.6	0	-8.7	Housefurnishings.....	138.3	137.8	146.1	+0.4	-5.3
Sundries.....	154.9	154.8 _r	151.5	+0.1	+2.2	Sundries.....	151.0	151.0 _r	145.4	0	+3.9
Weighted Total.....	156.8	158.0 _r	161.4	-0.8	-2.9	Weighted Total.....	153.8	154.7 _r	158.7	-0.6	-3.1
Grand Rapids						Louisville					
Food.....	197.8	201.6 _r	209.5	-1.9	-5.6	Food.....	206.2	209.2 _r	220.6 _r	-1.4	-6.5
Housing ¹	118.8	118.8	112.8	0	+5.3	Housing ¹	107.1	107.1	107.1	0	0
Clothing.....	137.0	137.9 _r	151.6	-0.7	-9.6	Clothing.....	139.8	140.0	152.9	-0.1	-8.6
Fuel ²	155.1	155.1	154.0	0	+0.7	Fuel ²	157.8	155.4	156.1	+1.5	+1.1
Housefurnishings.....	155.3	155.1	171.9	+0.1	-9.7	Housefurnishings.....	153.3	153.5	163.7	-0.1	-6.4
Sundries.....	157.6	157.7 _r	155.3	-0.1	+1.5	Sundries.....	162.1	162.4 _r	161.3	-0.2	+0.5
Weighted Total.....	160.1	161.3 _r	164.2	-0.7	-2.5	Weighted Total.....	164.9	165.8 _r	171.4 _r	-0.5	-3.8
Green Bay, Wis.						Macon					
Food.....	205.6	210.5	200.7	-2.3	+2.4	Food.....	194.8	197.4	211.7	-1.3	-8.0
Housing ¹	115.2	115.2	115.2	0	0	Housing ¹	123.7	123.7	123.2	0	+0.4
Clothing.....	152.6	152.3	167.3	+0.2	-8.8	Clothing.....	148.9	148.1 _r	160.8	+0.5	-7.4
Fuel ²	143.0	141.3	140.6 _r	+1.2	+1.7	Fuel ²	124.4	121.0	121.0 _r	+2.8	+2.8
Housefurnishings.....	133.9	133.4 _r	158.9 _r	+0.4	-15.7	Housefurnishings.....	141.1	141.1	154.3	0	-8.6
Sundries.....	148.9	148.9 _r	145.5	0	+2.3	Sundries.....	149.4	149.4 _r	138.6	0	+7.8
Weighted Total.....	159.0	160.2 _r	159.6 _r	-0.7	-0.4	Weighted Total.....	158.8	159.2 _r	161.7 _r	-0.3	-1.8
Houston						Memphis					
Food.....	211.0	211.8	221.0 _r	-0.4	-4.5	Food.....	213.8	219.2	224.5	-2.5	-4.8
Housing ¹	115.8	115.8	111.1	0	+4.2	Housing ¹	114.4	114.4	114.0	0	+0.4
Clothing.....	142.4	142.6	155.5	-0.1	-8.4	Clothing.....	148.7	148.8	161.1	-0.1	-7.7
Fuel ²	81.8	81.8	81.8	0	0	Fuel ²	117.9	117.9	117.9	0	0
Housefurnishings.....	129.9	129.7	143.5 _r	+0.2	-9.5	Housefurnishings.....	145.4	145.4	154.7	0	-6.0
Sundries.....	149.9	150.7 _r	146.3	-0.5	+2.5	Sundries.....	136.9	137.0 _r	132.1	-0.1	+3.6
Weighted Total.....	155.5	156.0 _r	158.6 _r	-0.3	-2.0	Weighted Total.....	154.9	156.5	158.2	-1.0	-2.1
Huntington, W. Va.						Milwaukee					
Food.....	190.6	194.2	203.7	-1.9	-6.4	Food.....	198.3	200.5 _r	211.8	-1.1	-6.4
Housing ¹	111.7	111.7	111.7	0	0	Housing ¹	138.2	138.2	112.1	0	+23.3
Clothing.....	139.6	139.6 _r	155.0 _r	0	-9.9	Clothing.....	154.8	155.0	165.7	-0.1	-6.6
Fuel ²	100.0	100.0	100.0	0	0	Fuel ²	135.8	135.8	134.2 _r	0	+1.2
Housefurnishings.....	141.7	143.2	162.2	-1.0	-12.6	Housefurnishings.....	158.3	157.1	171.7	+0.8	-7.8
Sundries.....	155.3	155.6 _r	148.0	-0.2	+4.9	Sundries.....	158.6	161.7 _r	156.0	-1.9	+1.7
Weighted Total.....	155.1	156.4 _r	159.6 _r	-0.8	-2.8	Weighted Total.....	164.1	165.5	163.9 _r	-0.8	+0.1
Indianapolis						Minneapolis					
Food.....	209.8	209.7 _r	219.6	a	-4.5	Food.....	217.4	221.2 _r	223.8 _r	-1.7	-2.9
Housing ¹	119.4	119.4	116.1	0	+2.8	Housing ¹	109.6	109.6	108.8	0	+0.7
Clothing.....	140.8	140.9 _r	148.9	-0.1	-5.4	Clothing.....	149.9	149.8	161.0	+0.1	-6.9
Fuel ²	157.7	153.7	150.9	+2.6	+4.5	Fuel ²	137.7	137.6	136.5 _r	+0.1	+0.9
Housefurnishings.....	145.3	145.1	153.4	+0.1	-5.3	Housefurnishings.....	151.7	151.7	169.1	0	-10.3
Sundries.....	156.3	156.8 _r	155.9	-0.3	+0.3	Sundries.....	159.7	159.8	154.5	-0.1	+3.4
Weighted Total.....	163.5	163.3 _r	166.6	+0.1	-1.9	Weighted Total.....	164.8	166.0	166.9 _r	-0.7	-1.3

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

a Less than 0.1%.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949		Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949
Muskegon						Portland, Ore.					
Food.....	237.2	241.8 _r	249.1	-1.9	-4.8	Food.....	208.1	210.0 _r	222.4	-0.9	-6.4
Housing ¹	115.4	115.4	115.4	0	0	Housing ¹	122.8	122.8	122.8	0	0
Clothing.....	138.8	138.7	151.4	+0.1	-8.3	Clothing.....	165.0	165.1	174.3	-0.1	-5.3
Fuel ²	162.6	161.4 _r	161.3	+0.7	+0.8	Fuel ²	139.9	139.9	130.0	0	+7.6
Housefurnishings.....	115.0	115.0	138.5	0	-17.0	Housefurnishings.....	134.9	134.9	146.0	0	-7.6
Sundries.....	147.4	147.5 _r	143.4	-0.1	+2.8	Sundries.....	140.5	140.4 _r	138.6 _r	+0.1	+1.4
Weighted Total.....	165.4	166.6 _r	170.2	-0.7	-2.8	Weighted Total.....	160.5	161.1	165.1 _r	-0.4	-2.8
Newark						Providence					
Food.....	199.8	203.5 _r	211.3	-1.8	-5.4	Food.....	203.8	205.3 _r	213.3 _r	-0.7	-4.5
Housing ¹	106.2	106.2	105.1	0	+1.0	Housing ¹	106.2	106.2	106.2	0	0
Clothing.....	135.9	135.9	145.9	0	-6.9	Clothing.....	152.9	153.2	157.7	-0.2	-3.0
Fuel ²	117.2	117.2	117.1	0	+0.1	Fuel ²	144.0	144.0	144.1	0	-0.1
Housefurnishings.....	165.3	166.0	176.0	-0.4	-6.1	Housefurnishings.....	131.3	131.3	141.6	0	-7.3
Sundries.....	145.6	145.6 _r	140.7	0	+3.5	Sundries.....	145.9	145.9 _r	148.4	0	-1.7
Weighted Total.....	156.3	157.7	160.2	-0.9	-2.4	Weighted Total.....	157.0	157.5 _r	161.5 _r	-0.3	-2.8
New Haven						Richmond					
Food.....	194.0	196.7	205.9	-1.4	-5.8	Food.....	226.0	228.9 _r	241.2	-1.3	-6.3
Housing ¹	106.6	106.6	105.7	0	+0.9	Housing ¹	116.2	116.2	116.2	0	0
Clothing.....	151.2	151.9	163.8	-0.5	-7.7	Clothing.....	149.6	150.1	162.6 _r	-0.3	-8.0
Fuel ²	140.2	139.7	141.8	+0.4	-1.1	Fuel ²	139.6	137.2	130.3	+1.7	+7.1
Housefurnishings.....	142.3	141.8	153.0	+0.4	-7.0	Housefurnishings.....	151.2	151.2	163.5	0	-7.5
Sundries.....	128.7	128.7 _r	127.2	0	+1.2	Sundries.....	136.4	136.4 _r	133.2	0	+2.4
Weighted Total.....	149.4	150.3	154.3	-0.6	-3.2	Weighted Total.....	161.3	162.4 _r	166.1	-0.7	-2.9
New Orleans						Roanoke, Va.					
Food.....	211.5	213.8	213.6	-1.1	-1.0	Food.....	202.8	205.5 _r	216.1	-1.3	-6.2
Housing ¹	119.2	119.2	113.7	0	+0.4	Housing ¹	140.6	140.6	134.8	0	+4.3
Clothing.....	149.3	149.2 _r	160.0	+0.1	-6.7	Clothing.....	162.0	162.1	171.8 _r	-0.1	-5.7
Fuel ²	90.8	90.8	91.4	0	-0.7	Fuel ²	155.6	154.8	152.8	+0.5	+1.8
Housefurnishings.....	159.1	159.1	163.3	0	-2.6	Housefurnishings.....	150.2	151.2	160.2 _r	-0.7	-6.2
Sundries.....	139.9	139.9 _r	138.7	0	+0.9	Sundries.....	149.8	150.8 _r	145.7	-0.7	+2.8
Weighted Total.....	162.7	163.6	164.5	-0.6	-1.1	Weighted Total.....	165.5	166.7	168.4	-0.7	-1.7
New York						Rochester					
Food.....	192.2	195.4	202.6	-1.6	-5.1	Food.....	207.3	208.8	216.9	-0.7	-4.4
Housing ¹	104.5	104.5	103.8	0	+0.7	Housing ¹	116.7	116.7	108.3	0	+7.8
Clothing.....	143.3	143.7	154.8	-0.3	-7.4	Clothing.....	146.4	146.6	161.3	-0.1	-9.2
Fuel ²	130.0	130.0 _r	120.3	0	+8.1	Fuel ²	162.1	162.1	157.3	0	+3.1
Housefurnishings.....	150.2	149.9	158.2	+0.2	-5.1	Housefurnishings.....	177.1	177.1	183.0	0	-3.2
Sundries.....	160.7	160.7	160.8 _r	0	-0.1	Sundries.....	157.9	157.9 _r	154.3	0	+2.3
Weighted Total.....	156.4	157.6 _r	161.0 _r	-0.8	-2.9	Weighted Total.....	163.5	163.9	164.8	-0.2	-0.8
Omaha						Rockford, Ill.					
Food.....	221.5	226.8 _r	234.6 _r	-2.3	-5.6	Food.....	218.8	223.1 _r	229.6	-1.9	-4.7
Housing ¹	111.3	111.3	106.0	0	+5.0	Housing ¹	148.4	148.4	140.3	0	+5.8
Clothing.....	142.7	143.1	156.2	-0.3	-8.6	Clothing.....	142.1	141.3	159.8	+0.6	-11.1
Fuel ²	132.1	132.1	133.8	0	-1.3	Fuel ²	146.2	143.0	146.3	+2.2	-0.1
Housefurnishings.....	163.5	163.1	176.8	+0.2	-7.5	Housefurnishings.....	146.1	146.1	164.9	0	-11.4
Sundries.....	151.4	151.4 _r	148.4	0	+2.0	Sundries.....	153.1	153.1 _r	149.6	0	+2.3
Weighted Total.....	163.0	164.5 _r	167.0	-0.9	-2.4	Weighted Total.....	170.2	171.1 _r	173.7	-0.5	-2.0
Philadelphia						Sacramento					
Food.....	187.5	191.9	196.2	-2.3	-4.4	Food.....	204.0	206.7	221.4	-1.3	-7.9
Housing ¹	110.5	110.5	110.4	0	+0.1	Housing ¹	115.5	115.5	115.3	0	+0.2
Clothing.....	133.1	133.1	148.3	0	-10.2	Clothing.....	162.3	163.2	170.2 _r	-0.6	-4.6
Fuel ²	147.0	146.6	142.8	+0.3	+2.9	Fuel ²	76.2	76.2	74.7	0	+2.0
Housefurnishings.....	146.1	146.1	151.5	0	-3.6	Housefurnishings.....	158.3	157.7 _r	177.4	+0.4	-10.8
Sundries.....	152.7	152.8	150.1 _r	-0.1	+1.7	Sundries.....	151.4	151.4 _r	147.1	0	+2.9
Weighted Total.....	155.6	157.1	159.5 _r	-1.0	-2.4	Weighted Total.....	158.5	159.3 _r	164.0 _r	-0.5	-3.4
Pittsburgh						St. Louis					
Food.....	199.0	203.2	207.9	-2.1	-4.3	Food.....	200.3	201.5 _r	208.9	-0.6	-4.1
Housing ¹	118.6	118.6	116.3	0	+2.0	Housing ¹	116.4	116.4	113.0	0	+3.0
Clothing.....	142.3	142.1	152.1	+0.1	-6.4	Clothing.....	138.6	138.6	150.3	0	-7.8
Fuel ²	135.1	135.1	137.0	0	-1.4	Fuel ²	145.2	144.8	146.3 _r	+0.3	-0.8
Housefurnishings.....	136.8	136.2	147.3	+0.4	-7.1	Housefurnishings.....	131.0	131.4	159.6	-0.3	-17.9
Sundries.....	151.8	151.9 _r	150.0	-0.1	+1.2	Sundries.....	140.1	140.0 _r	138.0	+0.1	+1.5
Weighted Total.....	158.0	159.4	161.7	-0.9	-2.3	Weighted Total.....	155.8	156.2	160.1 _r	-0.3	-2.7

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949		Dec. 1949	Nov. 1949	Dec. 1948	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949
St. Paul						Toledo					
Food.....	210.4	212.2	220.0	-0.8	-4.4	Food.....	201.1	206.2 ^r	215.0	-2.5	-6.5
Housing ¹	108.2	108.2	107.7	0	+0.5	Housing ¹	126.5	126.5	120.8	0	+4.7
Clothing.....	139.6	139.5 ^r	150.8	+0.1	-7.4	Clothing.....	144.8	146.2	159.5	-1.0	-9.2
Fuel ²	135.4	136.8	139.7	-1.0	-3.1	Fuel ²	147.7	145.9	147.1	+1.2	+0.4
Housefurnishings.....	156.0	155.8	171.5	+0.1	-9.0	Housefurnishings.....	142.1	142.4	148.6	-0.2	-4.4
Sundries.....	154.4	154.5 ^r	149.9	-0.1	+3.0	Sundries.....	157.4	157.5 ^r	155.8	-0.1	+1.0
Weighted Total.....	160.0	160.6	163.7	-0.4	-2.3	Weighted Total.....	162.6	164.2 ^r	167.2	-1.0	-2.8
San Francisco-Oakland..						Wausau, Wis.					
Food.....	214.4	220.6	229.1	-2.8	-6.4	Food.....	216.2	217.5 ^r	225.5	-0.6	-4.1
Housing ¹	102.7	102.7	100.9	0	+1.8	Housing ¹	167.6	167.6	167.6	0	0
Clothing.....	146.5	146.5	160.3	0	-8.6	Clothing.....	161.8	161.8	182.7 ^r	0	-11.4
Fuel ²	93.6	93.6	91.2	0	+2.6	Fuel ²	146.9	147.7	148.4	-0.5	-1.0
Housefurnishings.....	143.6	143.6	154.8	0	-7.2	Housefurnishings.....	147.4	147.6	155.5	-0.1	-5.2
Sundries.....	157.0	157.0 ^r	153.2	0	+2.5	Sundries.....	151.3	151.3 ^r	149.4	0	+1.3
Weighted Total.....	162.1	164.1	167.2	-1.2	-3.1	Weighted Total.....	163.2	163.6 ^r	168.3 ^r	-0.2	-3.0
Seattle						Wilmington, Del.					
Food.....	198.7	202.0	214.6	-1.6	-7.4	Food.....	183.6	185.5 ^r	194.8	-1.0	-5.7
Housing ¹	120.0	120.0	115.9	0	+3.5	Housing ¹	125.8	125.8	113.3	0	+11.0
Clothing.....	134.0	134.0	147.0 ^r	0	-8.8	Clothing.....	150.0	149.9	167.1	+0.1	-10.2
Fuel ²	136.0	136.0 ^r	135.1	0	+0.7	Fuel ²	130.6	130.6	130.4	0	+0.2
Housefurnishings.....	158.4	158.4	168.8	0	-6.2	Housefurnishings.....	143.8	142.5	172.6	+0.9	-16.7
Sundries.....	147.3	146.3 ^r	143.3	+0.7	+2.8	Sundries.....	140.6	141.1 ^r	133.1	-0.4	+5.6
Weighted Total.....	157.7	158.4 ^r	162.5	-0.4	-3.0	Weighted Total.....	154.0	154.7 ^r	157.6	-0.5	-2.3
Spokane						Youngstown					
Food.....	197.6	200.1	211.3	-1.2	-6.5	Food.....	202.8	206.7	216.6	-1.9	-6.4
Housing ¹	129.2	129.2	110.8	0	+16.6	Housing ¹	106.8	106.8	106.8	0	0
Clothing.....	127.7	128.5	146.3	-0.6	-12.7	Clothing.....	160.3	160.3	172.5	0	-7.1
Fuel ²	149.3	148.3	147.6	+0.7	+1.2	Fuel ²	141.4	141.4	140.2 ^r	0	+0.9
Housefurnishings.....	135.9	135.9	150.9 ^r	0	-9.9	Housefurnishings.....	146.0	145.9	161.8	+0.1	-9.8
Sundries.....	148.2	147.1 ^r	142.7	+0.7	+3.9	Sundries.....	143.1	143.2	142.5	-0.1	+0.4
Weighted Total.....	159.0	159.4	160.8 ^r	-0.3	-1.1	Weighted Total.....	156.4	157.7	162.7 ^r	-0.8	-3.9
Syracuse											
Food.....	200.8	202.5 ^r	210.9	-0.8	-4.8						
Housing ¹	116.7	116.7	116.7	0	0						
Clothing.....	144.7	144.8	156.7	-0.1	-7.7						
Fuel ²	150.4	150.4	150.3	0	+0.1						
Housefurnishings.....	155.7	155.1 ^r	163.1	+0.4	-4.5						
Sundries.....	143.4	143.4 ^r	140.9	0	+1.8						
Weighted Total.....	156.0	156.5 ^r	159.7	-0.3	-2.3						

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised

PERCENTAGE CHANGES IN INDEXES FOR FOUR CITIES

	Weighted Total		Food		Housing ¹		Clothing		Fuel and Light		Housefurnishings		Sundries	
	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949
Evansville, Ind.....	-0.9	-1.8	-2.5	-5.4	0	+0.8	-0.1	-8.1	+0.2	+0.5	+0.8	-5.7	-0.1	+4.9
International Falls, Minn.	-0.5	+0.1	-1.4	-3.6	0	0	+0.1	-9.8	0	-0.8	0	-5.4	0	-15.5
Joliet, Ill ²	-0.3	-2.3	-1.4	-4.8	0	+3.6	0	-8.3	+1.4	+0.5	+1.3	-10.3	-0.1	+2.2
Trenton, N. J.....	-0.7	-1.8	-1.3	-3.9	0	+4.1	-0.2	-7.6	0	+1.3	-0.2	-7.8	-0.3	+2.6

¹Rents surveyed quarterly January 15, April 15, July 15, October 15.

²Includes Lockport and Rockdale.

SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1949								Year Ago	Percentage Change	
		Dec.	Nov.	Oct.	Sept.	August	July	June	Latest Month over Previous Month ¹		Latest Month over Year Previous	
Clerical salary rates ²												
Office boy (or girl).....	median in dollars	33
Receptionist.....	median in dollars	45
Telephone switchboard operator.....	median in dollars	48
File clerk.....	median in dollars	36
Junior copy typist.....	median in dollars	36
Senior copy typist.....	median in dollars	43
Junior dictating machine transcriber.....	median in dollars	38
Senior dictating machine transcriber.....	median in dollars	45
Stenographer.....	median in dollars	46
Bookkeeping machine operator.....	median in dollars	42
Billing machine operator.....	median in dollars	45
Calculating machine or Comptometer oper.....	median in dollars	46
Key punch operator.....	median in dollars	42
Consumers' Price Index												
Food.....	Jan. 1939=100	201.0	204.0	204.0	209.6	208.2	207.8	209.0	211.6	-1.5	-5.0	
Housing.....	Jan. 1939=100	113.6	113.6	113.6	112.7	112.7	112.7	112.3	111.2	0	+2.2	
Clothing.....	Jan. 1939=100	143.6	143.8	144.0	144.1	144.0	144.8	145.8	155.3	-0.1	-7.5	
Men's.....	Jan. 1939=100	156.2	156.4	156.5	156.6	157.3	157.8	159.0	166.9	-0.1	-6.4	
Women's.....	Jan. 1939=100	132.9	133.1	133.3	133.5	132.8	133.9	134.6	145.5	-0.2	-8.7	
Fuels.....	Jan. 1939=100	130.1	129.5	128.8	128.0	127.1	126.9	127.0	126.8	+0.5	+2.6	
Electricity.....	Jan. 1939=100	92.4	92.4	92.3	92.3	91.9	92.0	92.0	90.4	0	+2.2	
Gas.....	Jan. 1939=100	102.0	102.0	101.9	101.8	101.9	101.8	101.9	95.4	0	+6.9	
Housefurnishings.....	Jan. 1939=100	147.5	147.2	147.4	147.5	148.0	148.7	150.4	157.6	+0.2	-6.4	
Sundries.....	Jan. 1939=100	154.4	154.5	154.5	154.6	154.3	154.1	154.1	151.9	-0.1	+1.6	
All items.....	Jan. 1939=100	159.2	160.2	160.2	161.9	161.3	161.2	161.7	162.9	-0.6	-2.8	
Purchasing value of dollar.....	Jan. 1939 dollars	62.8	62.4	62.4	61.8	62.0	62.0	61.8	61.4	+0.6	+2.3	
All items (BLS).....	1935-1939=100	.....	168.6	168.5	169.6	168.8	168.5	169.6	172.2	+0.1	-2.1
Strikes (BLS)												
Beginning in period.....	number	p 120	p 200	250	290	380	350	385	144	-40.0	-16.7	
Workers involved.....	thousands	p 40	p 70	600	475	140	110	575	41	-42.9	-2.4	
Total man days idle.....	thousands	p 1,200	p 7,500	19,000	6,550	2,100	2,400	4,500	713	-84.0	+68.3	
Turnover rates in manufacturing (BLS)												
Separations.....	per 100 employees	.....	p 3.7	4.1	4.2	4.0	3.8	4.3	4.1	-9.8	-9.8
Quits.....	per 100 employees	.....	p 1.2	1.5	2.1	1.8	1.4	1.5	2.2	-20.0	-45.5
Miscellaneous.....	per 100 employees	.....	p .1	.1	.1	.1	.1	.1	.1	0	0
Discharges.....	per 100 employees	.....	p .2	.2	.2	.3	.2	.2	.4	0	-50.0
Layoffs.....	per 100 employees	.....	p 2.2	2.3	1.8	1.8	2.1	2.5	1.4	-4.3	+57.1
Accessions.....	per 100 employees	.....	p 3.3	3.7	4.1	4.4	3.5	4.4	3.9	-10.8	-15.4
Wage Earners												
All manufacturing industries (BLS) ³												
Earnings, hourly.....	average in dollars	p 1.412	1.391	1.392	1.407	1.399	1.408	1.405	1.400	+1.5	+0.9	
weekly.....	average in dollars	p 56.20	54.53	55.26	55.72	54.70	54.63	54.51	56.14	+3.1	+0.1	
Hours per production worker.....	average per week	p 39.8	39.2	39.7	39.6	39.1	38.8	38.8	40.1	+1.5	-0.7	
Employment.....	1939 average=100	.....	137.4	138.8	143.7	141.1	136.9	138.4	155.9	-1.0	-11.9
Payrolls.....	1939 average=100	.....	313.5	320.8	335.1	323.0	312.8	315.7	302.8	-2.3	-13.6
Durable goods (BLS) ⁴												
Earnings, hourly.....	average in dollars	p 1.479	1.454	1.458	1.482	1.473	1.477	1.475	1.466	+1.7	+0.9	
weekly.....	average in dollars	p 59.31	57.00	58.17	58.69	57.89	57.31	57.82	59.67	+4.1	-0.6	
Hours per production worker.....	average per week	p 40.1	39.2	39.9	39.6	39.3	38.8	39.2	40.7	+2.3	-1.5	
Employment.....	thousands	p 5,971	5,689	5,653	6,060	5,948	5,894	6,021	6,845	+5.0	-12.8	
Nondurable goods (BLS) ³												
Earnings, hourly.....	average in dollars	p 1.339	1.327	1.327	1.328	1.319	1.332	1.324	1.319	+0.9	+1.5	
weekly.....	average in dollars	p 53.02	52.02	52.55	52.59	51.31	51.55	50.97	51.84	+1.9	+2.3	
Hours per production worker.....	average per week	p 39.6	39.2	39.6	39.6	38.9	38.7	38.5	39.3	+1.0	+0.8	
Employment.....	thousands	p 5,511	5,567	5,714	5,715	5,613	5,817	5,814	5,733	-1.0	-3.9	
Class I railroads ⁴												
Earnings, hourly.....	average in dollars	.....	.....	1.614	1.612	1.429	1.442	1.427	1.368	+0.1	+18.0
weekly.....	average in dollars	.....	.....	68.70	69.82	71.63	69.20	70.21	67.13	-1.6	+2.3
"Real" weekly earnings.....	1923=100	.....	.....	171.6	172.6	177.7	171.8	173.8	163.2	-0.6	+5.1
Hours per wage earner.....	average per week	.....	.....	36.5	37.8	44.2	48.0	49.2	44.2	-3.4	-17.4
Agricultural wage rates (BAE)												
With board and room, per month.....	average in dollars	.....	.....	99.00	.....	.....	102.00	.....	104.00	-2.9	-4.8
With house, per month.....	average in dollars	.....	.....	122.00	.....	.....	130.00	.....	126.00	-6.2	-3.2
Composite rate per hour.....	average in dollars	.....	.....	.59	.....	.....	.56	.....	.62	+5.4	-4.8

¹Changes in Agricultural Wage Rates are quarterly.
²Based on reports from 20 cities.

³Revised series

⁴Derived from Interstate Commerce Commission reports.

pPreliminary.
rRevised.

Wage Settlement Announcements—Dec. 15 to Jan. 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure
- D. Wage Decrease

Note: Adjustments verified by company unless otherwise specified.

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Aircraft Parts and Accessories</i>							
*Bell Aircraft Corporation..... Buffalo, N. Y.	WE	\$.025 hr.	Retro. to 10-20-49	n.a.	n.a.	n.a.	Announced 1-10-50. Also 2.5¢ paid by company to insurance program. Company already contributes \$6 month per employee. Contract expires in 1 year; contains a government security clause. (UAW, CIO)
*Chance Vought Aircraft..... Dallas, Tex.	WE	\$.05 hr.	12-49	4,100	n.a.	n.a.	Two-year contract provides insurance program—hospitalization, surgical and sick pay benefits—effective by 4-1-50. Cost shared by company and employees. Wage reopening in 1 year. Company's contributory pension plan established in 1941 to remain in effect. Pensions are based on total earnings. (UAW, CIO)
*Curtiss-Wright Corp..... Caldwell, N. J.	WE	\$.04 hr.	1-50	2,800	n.a.	n.a.	Two-year contract also provides a raise in the night shift bonus from 10¢ an hour to 10% of hourly rate. Also company-paid hospitalization and social insurance plan. Hospitalization plan covers employees and dependents. Benefits include payments up to \$200 for surgical fees; \$7 to \$8 for 31 days for hospital room and board; supplementary allowances for medication. Company will pay \$1,000 of life insurance for each employee. About 1,600 employees covered by other contracts or listed as salaried workers will also be affected by similar provisions. (Int. Assn. Mach., Ind.)
<i>Chemicals and Allied Products</i>							
American Cyanamid Company..... Hamilton, O.	WE	\$.07 hr.	10-12-49	22	n.a.	n.a.	(United Gas, Coke and Chemical Workers, CIO)
Armour and Company..... Armour Fertilizer Works Bartow, Fla.	WE	\$.05 hr.	7-28-49	116	\$1 hr. base rate	2-49	(Int. Chemical Workers, AFL)
Atlas Powder Company..... Stamford, Conn.	WE	\$.05 hr.	11-3-49	84	\$1.3988hr.	11-20-48	(United Gas, Coke and Chemical Workers, CIO)
California Spray Chemical Co..... Richmond, Calif.	WE	\$.06 hr.	10-1-49	80	\$1.36 to \$1.81 hr.	4-1-48	(Int. Union Mine, Mill and Smelter Workers, CIO)
Cutter Laboratories..... Berkeley, Calif.	WE	\$.05 hr.	4-1-50	n.a.	\$1.11 hr. unskilled light work \$1.31 hr. unskilled heavy work	7-5-48	Additional increase of 2.5¢ to be effective 10-1-50 (United Office and Professional Workers, CIO)
	S	\$.05 hr.	4-1-50	n.a.	n.a.	n.a.	Additional increase as above. (United Office and Professional Workers, CIO)
The Davison Chemical Corp..... Savannah, Ga.	WE	\$.03 hr.	11-26-49	n.a.	\$.72 hr. minimum rate	n.a.	Three additional paid holidays, making a total of 5. (Int. Union Mine, Mill and Smelter Workers, CIO)
Far-Best Corporation..... Los Angeles, Calif.	WE	\$.05 hr.	1-2-50	40	\$1.20 to \$1.45 hr.	9-1-49	(Int. Chemical Workers, AFL)
The Glidden Company..... Soya Division Chicago, Ill.	WE	\$.05 hr.	3-1-49	250	\$1.44 hr.	3-1-48	(Int. Chemical Workers, AFL)
Hercules Powder Company..... Hopewell, Va.	WE	\$.04 hr.	11-7-49	900	\$1.30 hr.	7-26-48	(UMW, Dist. 50)
The Linde Air Products Company... Madison, Wis.	WE	\$.05 hr.	10-11-49	8	\$1.34 hr. average	10-11-48	(Int. Chemical Workers, AFL)
Minnesota Mining and Manufactur- ing Co. Detroit, Mich.	WE	\$.02 hr.	10-3-49	197	\$1.31 hr. general labor	8-2-48	Two weeks' vacation after 3 years' instead of 4 years' service. (UMW, Dist. 50)
Philadelphia Quartz Co..... Kansas City, Kan.	WE	\$.05 hr.	10-5-49	20	\$1.45 hr. average	10-5-48	(United Gas, Coke & Chemical Workers, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—DECEMBER 15 TO JANUARY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products (Cont'd)</i>							
Swift & Company..... Plant Food Division Hayward, Calif.	WE	\$.10 hr.	10-24-49	12	\$1.375 hr.	6-1-48	(Int. Longshoremen's & Warehousemen's Union, CIO)
Verona Chemical Co..... Newark, N. J.	WE	\$.05 hr.	9-22-49	56	\$1.15 hr.	n.a.	(Int. Chemical Workers, AFL)
<i>Food and Allied Products</i>							
American Bakeries Company..... Birmingham, Ala.	WE	\$.04 hr.	1-1-50	300	n.a.	n.a.	One additional paid holiday, making a total of 4 (Retail, Wholesale and Dept. Store Union, CIO)
Armour and Company..... Interstate	WE	see remarks	10-31-49	n.a.	n.a.	n.a.	Wage rates increased above the classification of common labor .5¢ for each 2.5¢ bracket the said rates were above the common labor rate. Improvements made in rate application abolishing the use of split rates, thereby granting increases to certain employees who were working on more than one job by virtue of seniority. Also: year-round vacations; 3 weeks' vacation to men with 15 years' service; extension of sick leave pay benefits; separation allowance in case of permanent closing down of a department. (United Packinghouse Workers, CIO)
Continental Baking Co..... Indianapolis, Ind.	WE	\$.05 hr.	7-1-49	94	n.a.	7-1-48	(United Retail, Wholesale, and Department Store Union, CIO)
General Mills, Inc..... Oskaloosa, Ia.	WE	\$.03 hr.	10-15-49	100	n.a.	n.a.	(Amer. Fed. Grain Millers, AFL)
Globe Mills..... San Francisco, Calif.	S	\$10 mo.	11-1-49	approx. 24	\$225 mo. maximum \$165 mo. minimum	11-1-48	(Office Employees Int. Union, AFL)
Imperial Sugar Company..... Sugar Land, Tex.	WE	\$.12 hr.	7-1-49	546	\$.82 hr. male \$.80 hr. female	7-1-48	One additional holiday; jury duty pay. (United Packinghouse Workers, CIO)
Pillsbury Mills, Inc..... Astoria, Ore.	S WE	\$20.80 mo. \$.05 hr.	7-1-49 9-1-49	35 100	n.a. \$1.75 hr. maximum \$1.25 hr. minimum	n.a. 11-6-48	(No union) (Int. Longshoremen's & Warehousemen's Union, CIO)
Revere Sugar Refinery..... Boston, Mass.	WE	\$.05 hr.	1-1-50	600	\$1.25 hr.	3-7-49	Sickness plan—\$25 week for 13 weeks. (United Packinghouse Workers, CIO)
Standard Brands, Inc..... Hoboken, N. J.	WE	\$.06 hr.	9-1-49	825 approx.	n.a.	n.a.	Also one additional paid holiday; 3¢ to 11¢ hour increase effective 9-1-49 for approximately 175 in certain job classifications; liberalized rest period provision for third shift. (Amal. Meat Cutters & Butcher Workmen, AFL)
Sunshine Biscuits, Inc..... Kansas City, Mo.	WE	\$.05 hr.	1-1-50	700	n.a.	n.a.	(Retail, Wholesale & Dept. Store Union, CIO)
<i>Metals and Metal Manufactures</i>							
Continental Can Co..... Interstate	WE	\$.05 hr.	n.a.	10,000	n.a.	n.a.	Increase retroactive to expiration date of former agreements. Noncontributory minimum pensions of \$100 month, including Social Security, for employees age 65 with 25 years' service. Proportionate pension for employees who retire at age 65 with at least 15 years' service. Pensions also granted to employees with at least 15 years' service who become totally disabled before age 65. (United Steelworkers, CIO)
Fruehauf Trailer Co..... South Kearny, N. J.	WE	\$.12 hr.	11-1-49	40	\$1.43 hr.	5-1-48	(Int. Ass'n Machinists, Ind.)
Mack-International Motor Truck Corporation Newark, N. J.	WE	\$.10 hr.	9-26-49	25 approx.	\$1.35 to \$1.50 hr.	4-23-48	(Int. Ass'n Machinists, Ind.)
<i>Paper and Allied Products</i>							
The Ohio Boxboard Co..... Pittsburgh, Pa.	WE	\$.015 hr.	10-15-49	45	\$.97 hr.	8-21-48	Life insurance \$1,000. Group insurance—sickness and accident, excluding dependents—\$20 week commencing with the 8th day of disability and extending to 13 weeks; \$6 daily hospitalization benefit; \$60 maximum additional fees; \$150 maximum surgical fees. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—DECEMBER 15 TO JANUARY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Paper and Allied Products (Continued)</i>							
E. J. Spangler Company..... Philadelphia, Pa.	WE	\$.05 hr.	1-1-50	110	n.a.	n.a.	Improvement in health and accident benefits. Payment of \$15 week for 13 weeks—1st day of accident and 4th day of sickness. Previously \$10 weekly for 10 weeks on 8th day of accident and sickness. Contract expires 12-31-50. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
<i>Petroleum and Allied Products</i>							
Columbia Fuel Corporation..... Pikeville, Ky.	WE	\$.04 hr.	11-11-49	54	n.a.	11-11-48	One additional holiday. (Oil Workers Int. Union, CIO)
The Paraffine Companies, Inc..... Redwood City, Calif.	WE	\$.10 hr.	6-1-49	125	\$1.375 hr.	6-1-48	(Int. Longshoremen's & Warehousemen's Union, CIO)
*Standard Oil Co..... (Indiana) Whiting, Ind.	WE	\$.02 hr.	Retro. to 7-1-49	n.a.	n.a.	n.a.	Announced 1-19-50. Two weeks' vacation after 1 year. Also changes in grievance procedure, jury pay, funeral pay and probationary period for new employees. Contract can be reopened for wages by either party, on or after 10-23-50. Union can also open negotiations on a reduced work week and wages if over 300 male union members are laid off between date of signing and 10-23-50. Union can also bring up the 36-hour week question under certain other conditions. Contract expires 3-1-52 (Central States Petroleum Union, Ind.)
<i>Public Utilities</i>							
The Dayton Power and Light Com- pany Dayton, O.	WE	\$.04 hr. approx.	Retro. to 10-27-49	2,031	n.a.	n.a.	Elimination of district differential in pay. Three weeks' vacation after 20 or more years' service. (Utility Workers, CIO)
El Paso Electric Co..... El Paso, Tex.	WE S	6% n.a.	1-1-50 1-50	194 226	n.a. n.a.	1-1-49 1-49	(Int. Bro. Electrical Workers, AFL) (No union)
<i>Retail Trade</i>							
*Pittsburgh Department Stores (5).. Pittsburgh, Pa.	S	\$1.50 wk.	1-6-50	1,600	n.a.	n.a.	(Building Service Employees, AFL; Amal. Clothing Workers, CIO; Office Workers, AFL)
*Spear & Company..... Pittsburgh, Pa.	S	\$1.65 wk.	1-12-50	50	n.a.	n.a.	(Building Service Employees, AFL)
<i>Transportation</i>							
Flint Trolley Coach, Inc..... Flint, Mich.	WE	\$.05 hr.	11-22-49	184	\$1.30 hr.	11-22-48	(Transport Workers Union, CIO)
*Oil and Coal Drivers..... New York, N. Y.	WE	\$.75 day	1-16-50	2,200	n.a.	n.a.	Also 3 weeks' vacation after 10 years' service. (Int. Bro. Teamsters, AFL)
Pennsylvania Greyhound Lines, Inc. Cleveland, O.	WE	no remarks	11-1-49	2,000	n.a.	n.a.	Drivers: mileage rates increased by .1¢; to receive additional .05¢ 11-1-50; minimum daily rate for bid-in assignment increased 16¢; to receive additional 8¢, 11-1-50. Trip rates increased 4¢; to receive additional 2¢, 11-1-50. Terminal and maintenance employees rates increased 2¢; to receive additional 1¢ effective 11-1-50. (Amal. Ass'n Street, Electric Railway and Motor Coach Empl., AFL)
*Pittsburgh Railways Co..... Pittsburgh Motor Coach Co.	WE	\$.10 hr.	no remarks	3,500	n.a.	n.a.	Announced 12-24-49. Seven and one-half cents, retroactive from 5-1 to 10-31-49; other 2.5¢, retroactive from 11-1 to 12-31-49.
*Public Service Company..... St. Louis, Mo.	WE S	\$.03 hr. 2%	12-50 7-1-50	n.a. 150	n.a. n.a.	n.a. n.a.	(Int. Bro. Electrical Workers, AFL) Affects clerical workers. Contract signed 1-13-50; expires in 18 months. (Amal. Ass'n Street, Electric Railway and Motor Coach Empl., AFL)
<i>Miscellaneous</i>							
Clay-Adams Company, Inc..... New York, N. Y.	S	\$2 wk.	1-2-50	92	n.a.	n.a.	A welfare plan (to be agreed upon) to go into effect 1-51. Contract expires 1-52. (United Office and Professional Workers, CIO)
The Miller Company..... Rolling Mill Division Meriden, Conn.	WE	\$.05 hr.	10-17-49	120	n.a.	n.a.	Laid-off employees to receive prorata vacation pay. (UAW, AFL)
*Needle Trades Employers Ass'n.... Fall River, Mass.	WE	\$.10 hr.	1-1-50	4,000	\$.70 hr. minimum	n.a.	Also a seventh paid holiday—Columbus Day; time and a half for holidays worked. Association represents 27 plants. (Int. Ladies' Garment Workers, AFL)
Northern Engraving and Manufactur- ing Company La Crosse, Wis.	WE	\$.115 hr.	10-15-49	800	n.a.	n.a.	Supplemental agreement. Minimums raised 15¢ hour. Blue Cross and group life and indemnity policies assumed by company, cost equivalent to 3¢ hour. (UAW, CIO)
Talon, Incorporated..... Meadville, Erie, Pa.	WE	\$.02 hr.	1-8-50	3,000	n.a.	n.a.	Six paid holidays (16 AFL unions; Int. Ass'n. Machinists, Ind.)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ^a	Benefits		Remarks
		Date Effective	Number Affected	
<i>Chemicals and Allied Products</i>				
Allied Chemical and Dye Corporation.. General Chemical Division Chicago, Ill.	WE	10-8-49	185	Three weeks' paid vacation after 15 years' service. (Int. Chemical Workers, AFL)
Royster Guano Co..... Bessemer, Ala.	WE	12-3-49	50	Three paid holidays. Contract expires 7-11-50. Rates effective 7-11-48: 93.5¢ to \$1.06 hour. (Int. Union Mine, Mill and Smelter Workers, CIO)
<i>Communications</i>				
Federal Telephone and Radio Corpora- tion Clifton, N. J.	WE	1-15-50	2,837	Wage reopening settlement. Company agreed to pay employee coverage under New Jersey Blue Cross Hospital Plan. (United Electrical, Radio and Machine Workers, CIO)
	S	1-15-50	536	Same benefit as above. (United Office and Professional Workers, CIO)
<i>Food and Allied Products</i>				
National Biscuit Co..... San Antonio, Tex.	WE	10-1-49	52	Two weeks' vacation after 3 years' instead of 5 years' service. Contract expires 10-1-50. (Bakery and Confectionery Workers Int. Union, AFL)
<i>Lumber and Allied Products</i>				
Armstrong Cork Company..... Camden, N. J.	WE	10-20-49	223	Three weeks' vacation after 15 years' service—formerly 20 years. Contract expires 10-15-51. Current wage rate \$1.19 hour. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
<i>Metal Manufactures</i>				
American Ship Building Co..... Chicago, Ill.; Buffalo, N. Y.; Lorain, Toledo, O.	WE	8-8-49	1,200	Three paid holidays—Labor Day, Christmas and New Year's. Contract expires 4-30-50. (Int. Ass'n Machinists, Ind.; Int. Bro. Boilermakers, Iron Shipbuilders & Helpers, AFL; Marine Pipefitters, AFL; other AFL unions)
The Budd Company..... Hunting Park Plant Philadelphia, Pa.	WE	12-1-49	8,000	Result of reopening of 6-48 contract. Pensions to be determined by further negotiations; insurance benefits granted. Cost to company 8.75¢ hour and 1.25¢ hour, respectively. Contract expires 6-21-50. (UAW, CIO)
Metal Forming Corporation..... Elkhart, Ind.	WE	12-1-49	72	Increase in vacation pay. Thanksgiving Day and Christmas paid holidays. (Assoc. Unions of America, Ind.)
Motor Wheel Corp..... Lansing, Mich.	WE	10-6-49	n.a.	Improved social insurance program. Contract expires 8-28-50. (UAW, AFL)
Philco Corporation..... Philadelphia, Pa.	WE	12-49	7,000 approx.	Existing contract extended until 5-1-50. Pension plan—\$100 month, including Social Security, to employees 65 years old with 25 years' service. Many details not settled—until such time 8.5¢ hour is being held in escrow. Severance pay clause included in contract. (Int. Union of Electrical Workers, CIO)
United States Gauge Co..... Sellersville, Pa.	WE	10-27-49	500	Sickness and accident insurance plan—\$13 for 13 weeks; hospitalization (non-profit community plan). Cost: 75% to company, 25% to worker. (Int. Molders, Foundry Workers, AFL; Int. Ass'n Machinists, Ind.; Metal Polishers, Buffers, Platers & Helpers, AFL)
<i>Metals</i>				
American Brass Novelty Co..... Grand Haven, Mich.	WE	11-1-49	88	Vacation pay increased from 2% to 2.5% for those employed from 6 months to 5 years. Contract expires 11-1-50. (UAW, AFL)
Johnson Bronze Co..... New Castle, Pa.	WE	8-15-49	1,200	Three weeks' vacation after 20 years' service. Liberalized holiday pay requirements. Broader seniority rights. Contract expires 8-15-50. (UAW, CIO)
<i>Paper and Allied Products</i>				
Adams Paper Company..... Wells River, Vt.	WE	11-1-49	60	Additional holiday, making a total of 7. Three weeks' vacation after 15 years' service. Contract expires 10-31-50. Base rates effective 9-1-48: \$1.02 hour, male; 95¢ hour, female. (Int. Bro. Paper Makers, AFL)
Groton Leatherboard Co..... West Groton, Mass.	WE	10-26-49	156	Three weeks' vacation after 15 years' service. Contract expires 11-1-50. Rate effective 11-1-48, \$1.19 hour including shift differentials. (Int. Bro. Paper Makers, AFL)
Hoberg Paper Mills..... Green Bay, Wis.	WE	4-1-49	725	Three weeks' vacation after 15 years' service. Base rates effective 5-1-48: \$1.21 hour, male; \$1.08 hour, female. Contract expires 4-30-50. (Int. Bro. Pulp, Sulphite, Paper Mill Workers, AFL; Int. Bro. Paper Makers, AFL)
Marathon Corporation..... Ashland, Menasha, Rothschild, Wis.; Menominee, Mich.	WE	8-1-49	2,400	Three weeks' vacation after 15 years' service. Contract expires 5-1-50. Wage rate effective 6-21-48, \$1.20 hour. (Int. Bro. Paper Makers, AFL; Int. Bro. Pulp, Sulphite, Paper Mill Workers, AFL)
The Munising Paper Company..... Munising, Mich.	WE	6-1-49	390	Three paid holidays—Christmas, Fourth of July and Labor Day. Three weeks' paid vacation for 15 years' service. Contract expires 4-31-50. (Int. Bro. Paper Makers, AFL; Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
Northern Paper Mills..... Green Bay, Wis.	WE	5-1-49	837	Three weeks' vacation after 15 years. Contract expires 6-1-50. (Int. Bro. Paper Makers, AFL)
The Northwest Paper Co..... Cloquet and Brainard, Minn.	WE	n.a.	1,500	Supplement of 6-48 contract. One additional paid holiday, making a total of 4. Three weeks' vacation after 15 years' continuous service. Base rates: \$1.20 hour, male; \$1.08 hour, female. (Int. Bro. Paper Makers, AFL; Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL; Int. Bro. Firemen and Oilers, AFL)
Rhineland Paper Company..... Rhineland, Wis.	WE	6-1-49	850	Increased insurance benefits: company to pay 80% instead of 65% of total premium; sick benefit of \$25 for 26 weeks instead of \$18 for 13 weeks. Three weeks' vacation for 15 years' instead of 20 years' service. One additional paid holiday making a total of 4. Contract expires 6-1-50. Base rate effective 6-1-48, \$1.21 hour. (Int. Bro. Paper Makers, AFL)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Paper and Allied Products (Continued)</i>				
Thilmany Pulp & Paper Company..... Kankanna, Wis.	WE	8-1-49	1,065	Three weeks' vacation after 15 years' service. Contract expires 7-31-50. Base rates: \$1.18 hour, male; \$1.04 hour, female. (Int. Bro. Paper Makers, AFL; Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
Wausau Paper Mills Co..... Brokaw, Wis.	WE	9-1-49	381	Paid holiday—Christmas. Shift differentials increased 1¢ hour. Contract expires 5-31-50. Base rate, effective 7-4-48, \$1.05 hour. (Int. Bro. Paper Makers, AFL)
<i>Printing</i>				
*New York Employing Printers Association New York, N. Y.	WE	12-49	4,000	Additional weeks' vacation making a total of 3. Pension plan for next 5 years—employers to contribute 1.5% of pay rolls to retirement fund. Fund administered jointly by union and company. Contract expires 9-30-51. Commercial printing shops present basic wage scales: \$90 week, day work; \$95.58, night work. (Int. Typographical Union, AFL)
<i>Rubber and Allied Products</i>				
Gates Rubber Company..... Denver, Col.	WE	11-14-49	2,200	Contract provides pension and sick leave plans; 3 weeks' vacation after 15 years' service. Contract expires 6-14-51. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
<i>Textiles and Allied Products</i>				
Cranston Print Works Co..... Cranston, R. I.	WE	10-21-49	400	Entitled to holiday pay if laid off for lack of work within 30 days immediately preceding holiday. Contract expires 10-31-51. (United Textile Workers, AFL)
<i>Stone, Clay and Glass Products</i>				
*Pittsburgh Plate Glass Co.; Libby-Owens-Ford	WE	1-14-50	18,500	New retirement and disability pension plan. Pensions effective at age 65 range from \$60 to \$125; based on continuous service from 15 to 50 years. Eligibility for retirement benefits retroactive to 5-1-49. Not mandatory for glass workers to retire at 65. Provisions as to retirement to be held in abeyance for 5 years at company request. Also increased health, accident and hospital insurance. Pittsburgh Plate Glass Co.: Creighton, Ford City, Pa.; Crystal City, Mo.; Henryetta, Okla.; Mt. Vernon, O.; and Clarksburg, W. Va. Libby-Owens-Ford: Toledo, Rossord, O.; Ottawa, Ill.; Charleston, W. Va.; and Shreveport, La. (Fed. Glass, Ceramic and Silica Sand Workers, CIO)
<i>Miscellaneous</i>				
Artic Roofings, Inc..... Edge Moor, Del.	WE	12-9-49	50	Double time and a half for hours worked on a paid holiday; previously, had been double time. Employees laid off due to lack of work and rehired within seniority regulations accumulate total months of actual work to give lengths of vacation as indicated in vacation plan. Contract expires 12-8-50. (UMW, Dist. 50)
Johnson & Johnson..... New Brunswick, N. J.	WE	12-31-49	10,000	New liberalized contributory pension plan paying, with Social Security, up to 56% of average annual earnings. Retiring employees receive an average of 6 to 7 times their contributions. Right to name a co-annuitant. Employees 45 years or older with 15 or more years' service can leave the company and still receive retirement benefits. Employees age 65, approaching retirement after 30 years' service, will receive a monthly minimum of \$100; those with less service still receive a proportionately lower amount. Total cost of this retroactive feature will be borne by the company. For future service benefits, company will pay more than employees. Employees' wife, husband or dependent may receive a retirement income for life upon workers' death after retirement.
A. H. Wirz, Inc..... Chester, Pa.	WE	11-17-49	400	One additional holiday, making a total of 6. Sickness and accident benefits and life insurance program shared equally by company and employees. Cost to company of fringe benefits and holidays, 2.5¢ hour. Contract expires 11-18-51. (UMW, Dist. 50)

C—No Change in Wage Structure

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
<i>Apparel</i>				
La Resista Corset Co..... Bridgeport, Conn.	WE	9-1-49	50	Contract expires 9-1-51. Current wage rate \$1.10 hour. (United Construction Workers, UMW)
<i>Chemicals and Allied Products</i>				
Koppers Company, Inc..... Wood Treating Division Texarkana, Tex.	WE	10-28-49	36	Contract expires 10-28-50. (UMW, Dist. 50)
<i>Leather and Allied Products</i>				
International Shoe Company..... Marlington, W. Va.	WE	11-1-49	163	Contract expires 10-31-50. (UMW, Dist. 50)
*Shoe Workers..... Eastern Mass.	WE	n.a.	12,000	(United Shoe Workers, CIO)

C—NO CHANGE IN WAGE STRUCTURE—Continued

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
<i>Metal Manufacturers</i>				
United Shoe Machinery Corp..... Beverly, Mass.	WE	10-19-49	2,100	Contract expires 10-19-50. (United Electrical, Radio and Machine Workers)
<i>Paper and Allied Products</i>				
A.P.W. Products Company..... Albany, N. Y.	WE	10-1-49	400	Contract expires 9-30-50. Rates effective 10-1-48: \$1.06 hour, male; 97¢ hour, female. (Int. Bro. Paper Makers, AFL)
Mohawk Valley Paper Co..... Little Falls, N. Y.	WE	<i>n.a.</i>	<i>n.a.</i>	Contract expires 6-1-50. (Int. Bro. Paper Makers, AFL)
Union Bag and Paper Corp. Trenton, N. J.	WE	9-28-49	110	Contract expires 9-50. (Int. Bro. Pulp, Sulphite and Paper Mill Workers, AFL)
<i>Stone, Clay and Glass Products</i>				
The United States Potters Association... East Liverpool, O.	WE	10-1-49	18,000	Contract expires 10-1-51, provides wage reopening. (Nat. Bro. Operative Potters, AFL)

D—Wage Decrease

Company	Type of Worker ¹	Decrease			Remarks
		Amount	Date Effective	Number Affected	
*Associated Fur Manufacturers Association New York, N. Y.	WE	11%	1-1-50	12,000	Effective till 6-16-50. Higher pay will be restored in June if economic conditions permit. (Int. Fur and Leather Workers, CIO)

¹Type of worker: WE, wage earner; S, salaried employee.

*Obtained from press reports—information not verified.

n.a. Not available.

DORIS K. LIPPMAN

Statistical Division

Wage-Hour Exemptions

(Continued from page 49)

With the duties of the job clearly before him, the supervisor proceeds to answer the questions on the reverse side of the check list. The questions simply restate, in interrogative form, the official definitions, with much of the legalese omitted. To guide him in his judgments, he is given a copy of pertinent excerpts from the Wage and Hour Division's explanatory bulletin. Thus, systematically and with due regard for all relevant factors, the supervisor decides whether each of his employees is exempt or nonexempt.

But this is only the first step. The completed check lists of each of the divisions are forwarded to the controller of the organization. This officer keeps informed on matters pertaining to the Fair Labor Standards Act. He scrutinizes the completed check lists, giving particular attention to interdivisional uniformity of classification. When this is completed, he notifies the division heads whether the classifications are approved. Each division head is then required to tell his employees whether or not they are eligible for overtime pay.

In actual practice it was not necessary to review the job of every employee of the company. To qualify for white collar exemption an employee must be paid at least fifty-five dollars a week. Those receiving less did not have to be considered in the survey and no check lists were made covering their duties since

they receive overtime in any event. Moreover, the only employees in the fifty-five to seventy-five dollar range for whom check lists were made were those whom the company regarded as executives. The jobs of the others in this range were not reviewed. Only those jobs were scrutinized whose classification as exempt or nonexempt might be challenged.

The division heads are required to report to the controller changes in duties or in salaries that might affect the status of the employee under the act. Since changes in salary rates normally channel through the controller, he is able to spot instances of employees advanced to or above the fifty-five and seventy-five dollar levels. As further insurance the controller makes a semiannual audit of the jobs for which exemption is claimed. In this way unreported or "creeping" changes in duties are picked up.

This check list routine has several merits. The supervisor is assisted in reviewing each of his jobs in systematic fashion. No factor that might affect exempt status is overlooked. The review by a central authority of the classifications made by the individual supervisors ensures company-wide uniformity. And the check list itself is a useful record to have when an employee asks why he is not paid overtime or when the company is visited by Wage and Hour Division inspectors.

HERBERT S. BRIGGS

Division of Personnel Administration

Personality Pete

(Continued from page 67)

bol was used at first only in the company's advertising—in the public press and in booklets sent to policyholders. Mr. Friendly, it was found, could dramatize situations and add a light touch to company messages. He proved popular with the public and has continued to play a prominent role in American Mutual's advertising. He appears in the company's external house organs and also in its annual report.

Typifying service, Mr. Friendly represents all the employees of the company. "Anyone who has worked

for American Mutual soon catches something of the Mr. Friendly spirit," explains a writer answering the question "Who is Mr. Friendly?" "It may be in the way we answer a telephone—the way in which correct information is obtained and given—the manner in which all members of our company family go out of their way to furnish friendly service."

Mr. Friendly explains company policies and practices in an employee handbook, "You and Your Company." He frequently shows up in pages of A.M., the internal employee



Mr. Friendly gives good advice

publication. He proudly appears, moreover, in the design of the insignia which are given to American Mutual employees in recognition of long service.

HARD-WORKING REDDY

Probably the hardest working symbol of the lot is Reddy Kilowatt. Each of the other characters described represents a single company. Reddy is cheerfully working for 240 power and light companies in the United States, as well as organizations in thirteen foreign lands.

The jaunty personality-streak emerged about sixteen years ago from the brain of Ashton Collins, who at the time was commercial manager of the Alabama Power Company.

"My studies of advertising and public relations of industrial concerns (particularly power companies)," Mr. Collins explains, "had convinced me that we were not reaching the mass public with enough human interest or simple translations along the emotional lines, or what is known as 'customer benefits.' This was particularly true of electric service which is so highly technical.

"Leaders of our industry had frequently referred

to electricity as the miraculous, God-given element and the servant of mankind. I felt that if we could symbolize or personify this electrical servant, it would more readily convert the technical kilowatt hours into servant hours and the cost of electric service in terms of an electric servant's wages.

"I wondered what electric service should look like. I thought of bellhops, English butlers, French maids, etc., but they were too commonplace or too human to represent the God-given element.

"Wrestling with the idea one stormy day, I gazed out the window and there was a flash of lightning. That's where I got the inspiration for this electrical personification that would give us the basic clue to the electrical business.

"We added the enlightened nose as a subtle reminder of the lighting phase on which the industry developed originally. Then came the convenience outlets as the receptive ears. We took the most used word in the electrical dictionary, kilowatt, but the least understood by the public, and when we prefixed Reddy to it, it became a simple friendly sort of name like Bill Smith or Tom Jones.

Name Is International

"Thus Reddy Kilowatt has become the only family name of its kind. We were fortunate in this development because kilowatt is an international word, the same in all languages, and there is a Reddy or 'ready' in every language. Also his body is the same in all languages and that's why it has proved so popular in foreign countries as well as throughout the United States."

Mr. Collins copyrighted the symbol and began licensing it to privately owned utility companies, to use as a trademark and to humanize and dramatize electric service. Taking care of Reddy became a full-time job. Mr. Collins now maintains an office in New

York City with a staff of artists who depict the many ways in which Reddy services mankind. The New York office constantly feeds material to the subscribing electric companies. Each is encouraged to develop ideas of its own for use of the little man and they send them in, to be shared with the other companies. The office thus serves as a clearing house for Reddy Kilowatt activities.



Among these are giving customers instructions in how to use and care for electrical appliances. Reddy reports the power company's achievements and finances, explains electrical terms, requests bill payments and prods delinquents in such a fashion that they grin while they fork over arrears. He talks safety to both customers and employees. (Observe, if you please, that Reddy always wears rubber gloves and rubber shoes.)

Stars in Motion Picture

Reddy was first designed for newspaper advertising, and that is where he is seen most frequently today. He also appears, however, in trade journals and civic magazines. He stars in a motion picture that tells the history of electricity and with strictly non-operatic voice sings the "Reddy Polka" in a technicolor short. He dances through a book of comics entitled "Reddytoons." You see him in store displays, on electric bills and in other mailings to customers.

In response to demand, employees and customers can buy at cost small plastic figures of Reddy. Other novelty items that feature him in their designs are plastic aprons for the housewife, playing cards, coasters and soap.

When Reddy joins a company, the employees' publication is likely to carry a news story about his arrival and an editorial explaining his significance. Small Reddy Kilowatt pins are sent to employees as souvenirs. Reddy promptly takes over the job of explaining company programs and policies in the employee handbook, in posters, in special booklets and in internal newspapers and magazines. He decorates the uniforms of the baseball team of the Havana Electric Company, and a twelve-foot figure of K-listo Kilowatt is perched above that company's clubhouse. Here or abroad, Reddy obviously enjoys the task of representing the company in friendly, informal fashion and welcomes every opportunity to try out a new medium.

PERSONALITY PETE TOO FLIPPANT?

Some companies have hesitated to employ a Personality Pete lest customers, public or employees judge it beneath the dignity of a serious-minded business organization. Several years before Allegheny Al made his initial appearance, the company which produces Allegheny commercial motion pictures had suggested the idea of animating the trademark star, but it was rejected at the time as being "too flippant." Ashton Collins says that when he first started to market his idea of humanizing electric service, "Lots of electric companies turned me down because they felt that the trademark of 'Reddy Kilowatt, your electric servant' was not dignified enough, that their important customers would object to Reddy as mere foolishness."

Experience has shown that it doesn't work out that

way. It has been found that folks, including the biggest of big businessmen and the touchiest of employees, enjoy a little humor, the light touch and subtlety.

Good old human interest. It never fails!

GENEVA SEYBOLD

Division of Personnel Administration

UE vs IUE

(Continued from page 44)

But most of the forty-two local unions that voted to switch their affiliation to the IUE-CIO have not been so fortunate as these ten. In the case of twenty-six of them, the employer is putting checkoff money in escrow pending an NLRB vote certifying that the new union legally represents the employees. And in four companies, workers inclined toward the IUE-CIO are witnessing their checkoff money being turned over to the UE. These four employers say that the union contract's checkoff clause and the irrevocable checkoff authorizations signed by the workers both require them to turn the money over to the left-wing UE.

TWO SETS OF OFFICERS

The right to speak for the employees in the grievance procedure is being fought over in twelve of the 136 companies. These dozen companies are confronted with two sets of officials. Each set claims the right to speak in the grievance procedure and demands the superseniority that goes with their union positions. (Table 2.)

Employers confronted with this problem seem to be handling it in a variety of ways. One employer has this to say:

"As to grievances, we have taken the position that we will recognize, in the administration of the grievance machinery provided under our contract, only those individuals who had some official standing prior to the split between the two groups. This comprises, in large part, members of the right-wing group. The question of preferred seniority for union officers and stewards presents a problem. In the few instances in which the question has been raised we have, as a practical expedient, continued the employment of all of the old officers and stewards, in order to avoid any serious issue."

Another employer permits the employee having a grievance to choose any representative he wishes to act for him. For superseniority purposes, the company officials recognize only those stewards and officers who held those positions at the time the schism originated.

A machinery manufacturer takes the position that the contract with UE is still valid until he receives

TABLE 4: STATUS OF WAGE REOPENING IN COMPANIES INVOLVED IN UE *vs* IUE-CIO FIGHT
(As of January 15, 1950)

	Total	Local Union Stand in UE <i>vs</i> IUE-CIO Fight						
		Membership Voted for IUE-CIO	Membership Voted for UE	Majority Seem to Favor IUE-CIO	Majority Seem to Favor UE	Split Within Local	Local Is Seeking Other Affiliation	Local's Stand Not Known
Total Companies.....	136	42	34	15	13	4	2	26
Wage reopening talks scheduled for present time.....	50	16	9	3	7	2	2	11
Wage reopening talks going on.....	14	2	3	...	3	2	...	4
Wage reopening talks not going on.....	36	14	6	3	4	...	2	7
Deferred pending NLRB decision.....	6	6	...	...	...	...	...	...
Union failed to ask for wage reopening.....	10	2	5	1	...	...	1	1
Union has asked for wage reopening.....	9	2	...	1	2	...	...	4
No reasons given.....	11	4	1	1	2	...	1	2
No wage reopening at present time called for by contract	86	26	25	12	6	2	...	15

TABLE 5: CONTRACT EXPIRATION IN COMPANIES INVOLVED IN UE *vs* IUE-CIO FIGHT
(As of January 15, 1950)

	Total	Local Union Stand in UE <i>vs</i> IUE-CIO Fight						
		Membership Voted for IUE-CIO	Membership Voted for UE	Majority Seem to Favor IUE-CIO	Majority Seem to Favor UE	Split Within Local	Local Is Seeking Other Affiliation	Local's Stand Not Known
Total companies.....	136	42	34	15	13	4	2	26
Total contracts about to expire or have just expired...	11	5	2	1	2	1	...	...
Negotiations going on.....	4	1	1	...	2	...	...	...
No negotiations at present.....	7	4	1	1	...	1	...	...
Negotiations deferred pending new NLRB certification election.....	3	1	...	1	...	1	...	...
Contract extended pending new NLRB certification election.....	4	3	1	...	...	...	...	...
Total contracts still in effect.....	125	37	32	14	11	3	2	26

a decision from the NLRB stating otherwise. This manufacturer goes on to say:

"We have dealt with the UE on grievances since the beginning of the dispute, and shall continue to do so until the expiration of the contract, unless the National Labor Relations Board takes some action at the instance of either the UE or the IUE-CIO, which changes the present status quo."

One metal manufacturer takes the view that it will only listen to individual grievances.

Another employer notes that the UE has taken its favorite tack when the going gets rough: it has become supermilitant. He says that as a consequence there has been a large influx of created grievances. "We believe," says this employer, "that this is an attempt by local UE leadership to show its members how well they are represented."

HOLDS UP WAGE REOPENING TALKS

Wage reopening negotiations are one of the casualties in the UE *vs* IUE-CIO battle. Fifty of the 136 companies have contracts that schedule wage reopening talks for the present time. Yet of the fifty, only fourteen are holding such talks. Of the thirty-six that are not, in ten cases the union failed to ask for wage reopening. Five of these ten are unions that

voted to remain with the UE and two are those that voted in favor of the IUE-CIO. Six of the wage negotiations were deferred pending an NLRB election. In nine cases, the union asked for wage reopening, but no action was taken because of the unsettled state of union representation. (Tables 4 and 5.)

JAMES J. BAMBRICK, JR.

PHYLLIS SYETTA

Division of Personnel Administration

Management Book Shelf

Elements of Investigative Techniques—Manual of the techniques of personnel investigation, of interest to plant protection supervisors, employment managers and the like. Lists chief sources of personal references, describes interrogation methods and tells how to prepare an investigation report. By James S. Eiseman, McKnight & McKnight Publishing Company, Bloomington, Illinois, 182 pp., \$5.

Training of Trades Union Officials—A paper and a discussion on this question: "Whether special facilities are required for the training of trade union officials in the principles and practice of management?" *Conference Series 8, July, 1949, British Institute of Management, 17 Hill Street, London, W. 1.*

The Conference Board

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In the Record

Maybe They're Allergic to Sugar!

During a test of an antihistamine drug in an industrial health program, some 10% of a control group of employees reported definite side reactions following its use. But this entire group, unbeknownst to them, had been dosed with nothing stronger than sugar pills!

Despite these rather startling effects in the sugar pill group, other—more positive—results led the company to believe that antihistamine drugs can be used effectively in its industrial health program. For a detailed account of this test turn to page 96.

• • •

Wages Strong on Fast Track

Fourth-round or no fourth-round, wage earners appear to be holding their gains of recent years. Hourly and weekly earnings both hit new records in January, while the purchasing value of the wage earner's dollar was about even with the preceding month and higher than a year earlier. The only clouds on the statistical horizon were a small decline in employment of production workers and persistent strength in food and housing costs. Contract settlements analyzed by staff specialists disclose nothing new in the area of collective bargaining. The new year began as the old one ended, with modest wage increases and more liberal benefit provisions the rule. Articles on these subjects appear on pages 110, 113, and 120.

• • •

Reconstructing Hangover Harry

Playboy sipping champagne from his lady's slipper has little in common with production worker ordering a "boiler-maker-and-his-helper" at the corner bar. Except, that is, for the morning-after headache.

There's a big difference, however. The playboy most likely will have a Jeeves to concoct a devil's broth that will net the butterflies in his stomach. Not so for the production worker. He'll have to show up at his bench or assembly line, headache and all. Sometimes the prospect is too awful and he reports sick. If he does show up for

work his production may dip and he may have an accident or cause one.

And while the imbiber thinks that his drinking is just a bad habit, he is in reality a sick man. Sometimes his sickness may be mental; at other times the chemistry of the body is at fault. In either case, recognizing the affliction as an illness is the first step toward recovery.

One company which has taken this enlightened view of the problem found that results from its salvage operations were worth while. Its experience is given in the story beginning on the following page.

• • •

A Stand-in for the Pilot?

Any organization that pivots solely on a few key executives will find itself in a whirl when they are gone. In order to meet the emergency when it arises, many companies select and train their next-in-line men so they will be able to take over the helm when they are needed. The men responsible for seeing that these programs function tell how their companies do it in the Round Table discussion starting on page 93.

Industrial psychologists often play an important role in this selection and training of executives. The increasing importance and influence of the psychologist in modern industry is traced in the story on page 98.

• • •

Dutch Treat

Like the ancient Greek states that never could get together until an outside invader threatened their very existence, labor and management often find their differences merely trifling when calamity threatens their nation.

In Holland, labor and management first found that they could cooperate when they were subjected to the pressure of the Nazi occupation during the war. The danger to national unity did not end with liberation, however, and they launched their Foundation of Labor to solve the pressing problems of postwar recovery. The excellent record of this movement in averting strikes during a crucial period is amply shown in the story beginning on page 102.

Help for Alcoholic Workers

*Weaning the worker away
from John Barleycorn —*

HANGOVER HARRY is a good worker when he works. But too often he fails to show up. About twenty days a year his boss receives word that Harry has a cold, an upset stomach or a headache.¹

Harry is probably a satisfactory worker when he is on the job if he is not suffering from the effects of a previous drinking bout. In that case, likely he will be irritable, inefficient, and careless. In any event he is twice as apt to have an accident as his nondrinking associates.²

The causes of Harry's absences most likely will escape the attention of top management for a long time because he is careful not to go to work when he is intoxicated. His supervisor is also inclined to "cover up" for him. In fact, he may not be found out unless he becomes involved in an accident or becomes increasingly inefficient. His problem may come to light only when Mrs. Harry asks permission to collect his weekly pay check.

DIAGNOSIS COMES FIRST

Harry's case must be diagnosed before he can be helped. He may be classified as an "occasional problem drinker" (drinks excessively, but only once in a while on special occasions), as a "periodic drinker" (drinks, usually excessively, at regular periods—pay days, every holiday, weekends) or as a "chronic alcoholic" (socially, occupationally and financially irresponsible because he cannot stop after the first drink). As far as business is concerned Harry's drinking becomes an issue only when it affects his behavior at work.

It is clear from the record that Harry's problem is no respecter of rank, occupation, sex or age. It is true with regard to age, that the largest number and the most serious cases are found among those in their early forties. As far as occupation is concerned, however, alcoholism affects all groups of employees in all

¹According to the Yale Plan on Alcoholism, Laboratory of Applied Physiology, Yale University, conservative estimates based on spot surveys indicate that 2,060,000 alcoholics are regularly employed. Approximately 1,370,000 male alcoholics are employed in manufacturing plants, construction companies and by public utilities. The male alcoholic in industry loses an average of 22 working days annually because of drinking.

²The accident rate of the alcoholic is 321 per 100,000 or twice that of the nonalcoholic. Alcoholics are annually responsible for 1,500 fatal accidents at work and 2,850 fatal accidents at home, in public places and in traffic. (Yale Plan on Alcoholism)

kinds of business or professions, skilled or unskilled office employees or shop workers, supervisors or top level executives.

Industrial organizations are becoming increasingly aware of the importance of salvaging alcoholic employees. Several leading companies have established extensive rehabilitation programs for that purpose. Notable among these is the one provided for employees of the Consolidated Edison Company in New York City.

CONSOLIDATED EDISON'S PLAN

Consolidated Edison's program was started in 1947 when management officially recognized chronic alcoholism as a disease and, therefore, a justifiable cause for separation allowances or retirement annuities.

According to Dr. John J. Wittmer, assistant vice president, the company believes that it is more practical and economical to openly acknowledge alcoholism and treat it scientifically and with understanding than to pretend that the condition does not exist.

The company made no special effort to introduce program details to employees. Supervisors were simply notified that the company considers alcoholism an illness and will make every effort to help alcoholics stop drinking and regain their health. Supervisors were urged to report cases promptly since early treatment of the disease increases chances for recovery.

For their guidance in recognizing cases requiring help, alcoholism is defined as "a condition resulting from immediate or past indulgence in alcoholic beverages wherein the subject is unable to perform properly his assigned duties."

TREATMENT IS INDIVIDUAL

Since each case of alcoholism is considered individually there is no rigid plan of treatment. In the beginning every alcoholic is interviewed by his supervisor, usually in the presence of a union shop steward. Persons employed for less than two years may be discharged on the first violation. In most instances the seriousness of the individual's behavior is forcibly but sympathetically brought to his attention. He is placed on probation for a year and warned that further offense may result in discharge or suspension, depend-

ing upon the conditions of his particular case. The alcoholic is then referred to the company medical department for examination.

The medical examination is given by a physician who is specially trained and experienced in handling alcoholics. It is intended to determine organic and/or psychological causes for the disability. A psychiatric examination is also given when the need is indicated. Findings are then analyzed and plans for rehabilitation are put into immediate action.

Cases that require medical or psychiatric attention are referred to the proper authorities for treatment. Every effort is made to adjust psychological problems that might result in drinking. If, for example, the employee seems to be worrying about financial problems the company tries to help him find a way to solve them. Many alcoholics are referred to Alcoholics Anonymous for guidance. Contact with that organization is always voluntary.

When rehabilitation measures are effective during probation periods the employee's record is considered "cleared." If efforts fail or are only partially effective the supervisor may recommend discharge of the worker, or the individual may be suspended until his case is reviewed by a special panel set up to consider retirement cases.

The panel consists of representatives from top management, medical and personnel departments and the department that employs the alcoholic. It usually also includes three or more foremen from other departments, who are invited to observe the proceedings.

In considering plans for retirement or separation, panel members study all pathological, psychological and economic factors that enter into the case. Particular attention is also given to the employee's past service, work performance and attendance record.

Based on these findings the panel recommends one of the following actions:

1. Sick leave without pay until rehabilitation is complete. (This action applies to those employees who are expected to recover but are not eligible for a separation allowance.)
2. Retirement for physical disability. Employees in this group have not reached normal retirement age but have been employed by the company long enough to receive a disability annuity.
3. Separation allowance, for a limited period according to length of service. These employees are not eligible for regular disability annuities.

Final disposition of every case is left to the alcoholic's department head.

DISPOSITION OF CASES

Since late 1947, when the program was put in operation, the company has reviewed forty-six cases of alcoholism. Of this number, six were given annuities

and twenty-three received separation allowances. Only nine were released or discharged. Eight returned to their jobs as soon as they were rehabilitated. The company will consider any discharged alcoholic for reemployment provided he can prove that he no longer drinks and he is able to work again.

PROGRAM PAYS DIVIDENDS

Alcoholic employees are given the same consideration as persons suffering from other types of illness. But the company believes that its policy of recognizing alcoholism as a disease encourages supervisors to report cases promptly. As a result, treatment is started earlier and the worker has a better chance for recovery. Since the rehabilitation program was started there has been less absenteeism and inefficiency resulting from drinking.

REHABILITATION TAKES TIME

As Consolidated Edison has found out, there is no short cure for alcoholism. According to several authorities, rehabilitation starts with a thorough physical examination to determine physical causes of the illness and a psychiatric checkup to detect psychopathic bases. It continues for weeks or even months until the individual through medical care and/or psychological supervision (according to the prescribed treatment) stops drinking. Treatment may involve changes in social and job environments. It usually requires the cooperation and understanding of the alcoholic's family.

Where can industry go for help in planning programs for alcoholics? Facilities for treating alcoholics are inadequate for the number of persons who require care. During recent years numerous committees have been established through the National Committee for Education on Alcoholism¹ to provide guidance for setting up programs. A few hospitals offer rehabilitation services for inebriates.

The New York University-Bellevue Medical Center in New York City conducts a special research unit for the treatment of alcoholism caused by metabolic disturbances. This project has been in operation for about one and a half years. According to its director, Dr. James J. Smith, a large percentage of the first group treated have already become arrested cases. Many of them have abstained from drinking for more than a year. Records show that as soon as the treatment is effective and the men feel well they no longer require alcohol. The ultimate goal of the program is to find a means of so restoring the alcoholic's blood chemistry to normal that even if he takes an occasional drink it will not result in a recurrence of alcoholism.

The Yale Plan Clinic, a section of Yale University's

¹New York Academy of Medicine Building, New York City.

Laboratory of Applied Physiology, is well known for its work in the field of alcoholism. One of its important functions is the consultant service offered to industry on the problems of alcohol. The program includes:

"1. A survey of the extent and effects of alcoholism within a specific industry.

"2. Cooperation with the industrial relations office in developing constructive personnel policies affecting the alcoholic.

"3. A program of education about alcohol addiction for supervisors and administrative personnel leading to improved understanding of the question as it affects employees.

"4. A consistent plan of information among workers to introduce ideas of prevention of alcoholic addiction. Leaflets, posters, brief articles in company publications may be used.

"5. Establishment of rehabilitation facilities either under company supervision or in the community."

Members of Alcoholics Anonymous, a lay organization of recovered alcoholics, have been given much credit for the help they offer to inebriates. Their first-hand knowledge and understanding of the condition are considered especially valuable in awakening new hope and courage in the alcoholic. They help him to recognize his drinking as an illness and urge him to visit his doctor for physical examination and guidance. Acute cases are referred to hospitals. Members are always available to give moral support during trying and discouraging periods of rehabilitation. Briefly, the program is one of mutual assistance that draws upon the resources of medicine, psychiatry and religion.

WHAT IS ALCOHOLISM?

Scientists disagree on the exact cause of alcoholism. It is frequently described as an illness resulting from serious personality disturbances such as insecurity, inferiority and frustration. Nutritional deficiencies are considered contributing factors in some cases.

Occasionally alcoholism is defined as a symptom of many underlying diseases.

Research conducted by Dr. James J. Smith indicates that alcoholism is a disease of metabolism (chemical working of the body). His studies show that the blood chemistry of the alcoholic differs from that of the normal healthy individual.

All definitions stress one important point—the alcoholic is ill and needs help. He cannot stop drinking until the cause of his alcoholism is found, and either corrected or arrested. Without proper treatment his illness will in the majority of cases become progressively worse.

Scolding or lecturing will not remedy the alcoholic's condition. They may result in further discouragement, resistance and despair. Attempts to reason with

him by pointing out the effects of alcoholism upon his health, family and job are futile. No one knows these circumstances better than the alcoholic himself. Only proper treatment and individual guidance provided by persons trained or experienced in handling alcoholics can offer him hope for recovery. But these measures cannot be started until the alcoholic recognizes that he is ill and sincerely asks for help. According to Consolidated Edison "a program designed to help the alcoholic will ultimately be a distinct advantage to the company that enforces it."

ETHEL M. SPEARS

Division of Personnel Administration

Personnel Briefs

Punctuality Plusses

There is nothing that delights the heart of a supervisor more than a perfect attendance and punctuality record on the part of his employees. One technique sometimes used to encourage promptness is the payment of an attendance incentive. The Kemper Affiliated Companies, an insurance firm with Chicago headquarters, recently announced a liberalizing revision of its former attendance incentive plan.

The revised cash payments for perfect attendance are the following:

Period	Old Plan	New Plan
3 months.....		\$5.00
6 months.....	\$5.00	10.00
12 months.....	7.50	15.00
18 months.....	7.50	15.00
2 years or more.....	10.00 each 6 mos.	20.00 each 6 mos.
5 years.....	15.00 each 6 mos.	20.00 each 6 mos.
10 years.....	20.00 each 6 mos.	20.00 each 6 mos.

To provide additional incentive, the plan now provides that instead of having to wait until July 1 or January 1 should the record be spoiled, the employee can start out anew the first day of the month following the break. Too, payments are now made within a month after the award has been earned rather than on the semiannual dates of January 1 and July 1.

Management Entertains Blood Donors

One hundred and fifty members of the Frigidaire Blood Donor's Club were guests of the Frigidaire Division of General Motors at a banquet and entertainment. The affair was arranged by management as an official acknowledgement of the services rendered by the donors. They have given forty-nine and one half gallons of blood since the club was taken over by the company's medical department early in 1947.

Orchid corsages were presented to all women members and lapel carnations to the men.

Plans for Executive Development

A summary of the Round Table conference on this subject at the 310th meeting of the National Industrial Conference Board at the Astor Hotel, New York City, January 26, 1950. Thomas Roy Jones, President, ATF Incorporated, presided.

Speakers and Panel Members

- N. G. Asbury, Chief Management Engineer, Department of the Navy
 George B. Corless, Advisor on Executive Development, Standard Oil Company (New Jersey)
 H. A. Graver, Vice-President, Hardware Mutual Casualty Company
 M. E. Pettegrew, Director, Public and Industrial Relations, Swank, Inc.
 C. B. Caldwell, Director of Personnel, Sears, Roebuck and Company
 K. L. Wilkinson, Assistant Vice-President, American Telephone and Telegraph Company

CHAIRMAN JONES: One of the most important problems facing industry today is that of getting the right men in the top management jobs. We have to face the fact that in a good many top jobs we do not have the right men. If we did we would not be in some of the troubles, economic and political, that we are today.

We are going to talk about executive development and for purposes of limitation we shall refer to executives in the middle and top ranks primarily.

Mr. Asbury

Under Mr. Asbury's direction the Navy recently completed a two-year study of the executive development programs of more than fifty companies. The results of this research are reported in composite form in "Personnel Administration at the Executive Level," published by the United States Naval Institute, Annapolis, Maryland. In his talk, Mr. Asbury reviewed this research, showing twenty slides. Two are reproduced on the following pages. Parts of Mr. Asbury's discussion of these slides are given.

I should like to make one initial observation: Nothing in the Navy report comes originally as a preconception from the Navy. We made a study and the facts which are in our report are the facts you gave us when we visited your companies. All we did was put them together and draw the conclusions therefrom, which you will find here.

Chart I. We submit to you industry's solution to its problem. That solution is found in the creation of reserves of trained executives. It is done through this methodology—and I would like to make the point that this is not a gimmick. The five steps—organiza-

tion analysis, selection, evaluation, development, and inventory control—represent, rather, the legs supporting a philosophy which underlies an effective approach to executive development.

Chart II. Here two things are identified: first, positions which need filling due to unsatisfactory conditions, and, second, vacancies which will be created resulting from the expected promotion of the incumbents.

In addition to having identified here the executive replacement needs of the organization within the foreseeable future, a time schedule has been predicted. By actually forecasting an action date, each executive void can be planned for and a replacement schedule determined with adequate backups in advance of need. The promotion and selection process is found to be considered and orderly, not hectic and rushed in an atmosphere of crisis and emergency. . . .

In summation then I should like to state that American industry has, in fact, found its solution to the problem. That solution is found in the creation of reserves of trained executives. The solution is accomplished through the process of examining the organization to determine the technical needs and the human qualifications of the individual to fill the various positions. It involves a careful selection process with objectivity brought about through multiple judgment. It includes the use of all those techniques which may be at our disposal, of which psychological testing is one. It calls for a careful and periodic evaluation of the individual to determine his performance, his rate of growth, and his potential for future usefulness. It requires a planned development process. Finally, the whole is rolled into one dynamic entity through an inventory control process applied to the human assets of management much as that generally in use for the physical.

Mr. Corless

Standard Oil Company (New Jersey) derived a great deal of satisfaction from Mr. Asbury's report. Although we are not practicing all the techniques he found in his survey, we were more than gratified to find that our home-grown program for executive development is basically sound.

Jersey management is decentralized into many

operating units located wherever petroleum is produced and marketed.

Any new concept such as systematic executive development must stand up under the most critical tests. First, it must be simple enough to be easily understood by many managers with widely different backgrounds of experience, education, language and national traditions. We think it met this test when the wife of our representative in Italy looked over her husband's shoulder at his file on executive development and said—"Humph, there must be a lot of dumb people in Jersey to find it necessary to send someone around to teach them common sense." When the chief accountant of our Cuban company was asked if he understood executive development, he replied in broken English, spoken very slowly: "Don't - wait - until - the horse is dead - before - you - break in the colt."

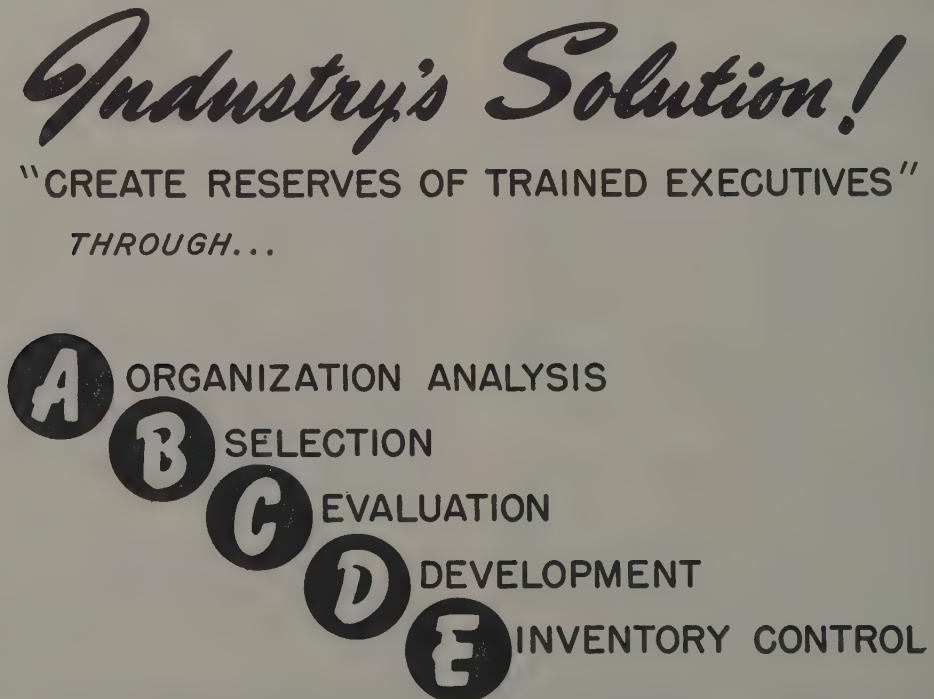
One of the ways for a new concept to get on the calendar of an overworked business executive is to offer something that will make his work easier. A manager in a Latin American country told us that their replacement tables and appraisals of key executives saved him many a headache. When a crisis occurred he had a complete objective study of his entire staff and was prepared to act promptly and

with confidence. Snap judgments on personnel made under emotional strain are often unsuccessful.

Second, executive development must pass the profit test. A manager who creates a position for broadening the experience of top-flight executives must be prepared to satisfy his budget committee. Salaries must be comparable with others at the same level. Jersey's manufacturing units have usually found that the incumbents of positions have more than "pulled their weight" in the boat. The immediate returns have been on the plus side of the balance sheet, and the long-range benefits are yet to be counted. The net profit from having sent one of its men to Harvard for three months has already repaid Jersey for all its outlay for the formal schooling of executives. This one man was in a position to apply a very large multiplier to an idea, and Harvard gave him the confidence necessary to do it.

Having passed the two tests it is good to know that executive development has valuable by-products. Perhaps the greatest of these is the morale factor. Executives at all levels of management get a lift when they discover that the bosses have an active, continuing interest in their growth long after they have passed beyond the supervisory level. This is revealed in conferences following appraisals, in letters from

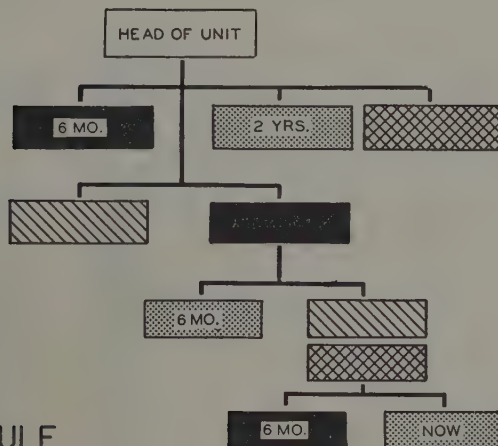
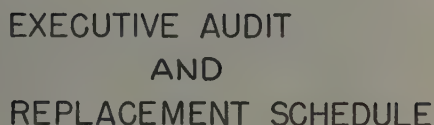
Chart 1:



This chart is taken from "Personnel Administration at the Executive Level" by N. G. Asbury and staff, published by the United States Naval Institute, Annapolis, Md., 1948

INVENTORY CONTROL

METHOD



 PROMOTABLE  ADEQUATE  INDEFINITE  UNSATISFACTORY

(Continued on page 123)

Antihistamine—Cold Killer?

THE surge of popular interest in the use of antihistamines for treating colds raises the question of whether they can be used safely and effectively in industrial health programs.

One company that investigated the value of these drugs is the Sylvania Electric Products Corporation in New York. "While the drug is not a cure for colds," Dr. Harry E. Tebrock, Sylvania's medical director, said, "it can appreciably reduce their incidence. In a large number of cases it will stop or shorten the duration of cold symptoms that have already developed."

Sylvania's medical department personnel started its investigation of antihistamine drugs in January, 1949. At that time, employees in several of the company's plants were invited to participate in a program that would "help to protect them against the discomforts of the common cold and contribute to the knowledge of medical science."

Program details were introduced to the workers by the medical director, plant physicians and nurses, bulletin boards and through articles in the employees' magazine. A special effort was made to inform prospective participants that the program was planned as an investigation and observation, and that they would not be used as subjects in a scientific experiment.

TOXIC EFFECTS OBSERVED

A specific antihistaminic drug was selected for the project. This particular agent was chosen because research studies indicated that it can be administered safely and effectively with a minimum degree of toxicity. Side reactions such as headache, drowsiness, skin rash, nausea, diarrhea and dizziness are comparatively mild. Dr. Tebrock points out that toxicity is a major factor to be considered in the use of any antihistamine drug. If toxic effects are too severe they can create health problems that are greater than the colds themselves.

VOLUNTARY PARTICIPATION

More than 1,700 men and women employees participated, on a voluntary basis, in the investigation. They were divided into groups for prophylactic (preventive) and therapeutic (treatment) purposes.

The prophylactic group, consisting of 782 employees, agreed to try the drug under the guidance of company medical personnel to determine its value in preventing colds. Of this number, 532 were given one tablet (25 mg.)¹ of the antihistamine drug four times

¹Preliminary studies with smaller controlled groups were used to determine dosage.

a day from January through March. The remaining 250 persons followed a similar routine except that, unknown to them, sugar pills were substituted for the drug. This placebo or sugar pill group was used primarily to demonstrate the problems (including psychological factors) that enter into the analysis of studies dependent upon the individual person's interpretation of treatment results. It revealed, for example, that approximately 10% of the 250 persons receiving sugar pills experienced varying degrees of side effects resulting from what they thought was the drug.

The second or therapeutic group included 936 employees who came to the medical department for treatment of acute cold symptoms. These individuals, not previously covered by prophylactic treatment, were given therapeutic doses of the drug (25 mg.) four times a day for an average of four days each.

ABSENTEEISM CUT

Analysis of employee records led to the following conclusions:

1. The majority of colds in their early stages appear to have allergy or histamine-type characteristics.
2. Prophylactic administration of the antihistaminic drug will, in a large number of cases, prevent colds among persons who are ordinarily susceptible to them. This opinion was based on the fact that, out of 782 employees in the prophylactic group (excluding those who took sugar pills), only 179 (22.8%) developed acute cold symptoms. But 163, or 65%, of the 250 persons in the placebo group had at least one cold during the observation period.
3. Therapeutic treatment with the selected antihistaminic, started within twenty-four hours following the onset of symptoms, will reduce the severity of cold symptoms and duration of illness in a large number of cases. Of the 963 persons included in the therapeutic study, 799 (83%) responded favorably to treatment. The remaining 155 (17%) received no benefit from the drug.
4. Proper dosage is essential to obtain maximum effects from the use of antihistamine drugs. Sylvania's investigation indicates that 25 mg. of the specific agent it administered for prophylactic or therapeutic purposes produces desired results with a minimum degree of toxicity.
5. Toxicity is a major factor to be considered in selecting antihistamine drugs. Only 54 (2.5%) persons

out of 1,745 observed had side reactions following the use of the drug. In the majority of cases, the side effects were mild and did not result in absenteeism or reduced efficiency.

Medical department personnel are continuing to study the use of antihistamines in relation to illness

and absenteeism resulting from colds. So far they consider the drug the most effective agent available for the prevention and treatment of cold symptoms.

ETHEL M. SPEARS

Division of Personnel Administration

Human Relations At Work:

CLEARING THE AIR

THE MORNING rest period was nearly over. Near the drill press line, Joe Wilkins and Pete Brown were finishing off their containers of coffee.

"Wonder what those two front-office boys have been up to all morning, Pete?" remarked Joe. "They came in about eight-thirty with measuring tapes and notebooks. Who are they?"

"I don't know, Joe," replied Pete. "I bet they're from the engineering department."

"That's right, Pete. I remember the guy with the curly hair. He was down in our department about a year ago, monkeying around with measurements and sketches. Right after that, they brought in the new presses and a lot of guys were transferred."

"Yeh," said Pete, lighting a cigarette, "I wonder what's in the wind now. Could be they're planning to bring in some new machines again. Curly was putting chalk marks on the floor like he planned to move my press."

"Hell, if they start messing around, who knows what will happen to us," snapped Joe. "Our seniority in this department isn't too high. Maybe we'll go back to the labor pool. That means less dough, which ain't good."

"They would pick a time like this to tighten up," said Pete, throwing away his coffee container. "You know, I was talking to one of the boys from over in the Walker Company. He says that in his outfit a mess of jobs were eliminated after some new machines were brought in. It can happen here too, I bet."

Turning back towards his press, Joe said with a note of uneasiness in his voice, "Keep your fingers crossed, Pete. Maybe we'll get some dope this afternoon about those engineering changes."

* * *

At noon, Joe and Pete were sitting in the company cafeteria with a few men from the welding department.

"Say, Tom," Joe said to one of the men at the table, "what do you think of the speed-up plans? Pete and I are afraid that with our low seniority, we'll be back

in the pool before long. I wonder if some jobs will be knocked out in your department."

"What's eating you, Joe? What speed-up? What job elimination?"

"Weren't the engineering geniuses over in your place working on new machine layouts?" Joe asked. "I've been watching them all morning. Couldn't get any work done. Something's up, and I don't like the looks of it."

"Oh that," said Tom with a smile. "Sure, those guys were in our place yesterday. Hell, you don't have to worry about your seniority. Gus, our foreman, called us all together for a few minutes yesterday morning. He told us the engineers would be in to take some measurements. Seems as though last summer the front office got so many complaints about the heat in the plant, they're drawing up plans for an air-conditioning system. Gus says they're going to have to move my machine so they can install one of the blowers. It'll be right next to me. Not bad, eh?" J.J.S.

How About a Percentage?

Of the million and one union arguments for increased pay, this one is unique: A worker at the Bureau of Printing and Engraving in Washington, where the country's currency is printed, proposed that he and his fellow workers should get top government salaries. His reason: "Handling millions of dollars a day brings on a mental state which makes us extravagant with our own money after work. After all, you can't have a healthy respect for a \$20 bill of your own when you kick around \$1,000 bills all day long. We're in debt because we can't appreciate the value of money like other people."—The Supervisor (Foremen's Association of America, ind.)

Where There's a Will, There's a Way

An ardent prohibitionist of Galveston, Texas, left \$4,000 in his will to the bartenders' union. The catch? The union members must vote to close down the bar in the basement of the union hall.—The Supervisor (Foremen's Association of America, ind.)

Psychologists in Industry

A FIELD study of the executive development programs of a dozen companies has just been completed by THE CONFERENCE BOARD. Three of the companies visited employ the services of psychological consultants. A fourth has a number of psychologists on its regular pay roll.

Just what does a consulting psychologist do? How can he help management? What does he know about business problems? More than one executive has thought and perhaps expressed himself as follows on this subject: "Why is the president bringing those guys in here? Does he think we're all crazy?" Even executives who accept the idea that psychology has made large strides in recent years and that business should avail itself of psychological findings may ask how one distinguishes the best psychological consultants from the less able ones and from the out-and-out charlatans.

A little background information will give perspective to these questions. Psychology is a new profession and its practice today is not well defined. The American Psychological Association was organized in 1892 with a charter membership of 31. By World War I this number had increased to 372; by World War II, to 2,937. The latest directory of the Association (1949) lists 6,736 names. And less than two hundred of these, or 3%, are members of the Association's Division of Industrial and Business Psychology.¹

It was during the two war periods that many psychologists were drawn out of the classrooms and laboratories and given an opportunity to show what they could do in "real" situations. Many of these psychologists have continued to work with such situations until, today, scores are working in industry. They may be known as psychologists or their identities may be obscured by a variety of pay roll titles. A few psychologists are employed by management firms to deal with personnel matters in client companies. Some psychologists, alone or in groups, have established themselves as consultants to business.

Psychological consultants perform a variety of functions in industry. They set up testing procedures. They install job evaluation programs. They advise management on office and plant layout. They may devise merit rating plans. They conduct employee attitude surveys. They serve as talent scouts.

An important service performed by psychologists

¹According to a recent analysis by J. D. Black in *The American Psychologist*, February, 1949, 46% of psychologists now work in universities, 23% in clinical positions, 18% do educational or vocational guidance, and 13% work in business and government.

is the work they are doing in the field of executive development. Since the practices of psychologists vary here, as elsewhere, only general statements can be made.

Psychologists and others have pointed out that at least half the time of an executive is spent on personnel problems. Personnel problems are problems of people, and the psychologist has been trained to deal with such problems. The fact that he is an outsider and not involved directly in company matters may be an advantage. It is argued that, as an outsider, he is in a good position to view a company's personnel problems objectively and to make constructive suggestions. Note that he makes suggestions—not decisions—for management.

HELP DEVELOP GOOD MEN

Contrary to the opinion of some persons, the psychologist does not regard everyone he meets as a candidate for psychoanalysis or institutional treatment. He does believe, however, that most persons, including businessmen in high places, work less effectively than they might. One consulting psychologist has defined his major role as follows: "To help good men to become better by increasing their own self-understandings and to let them see for themselves the impact they make upon other people: the point of view being that when a man has a sufficient degree of insight, his own self-criticisms are usually adequate to the situation."¹

The thesis of the psychologist could be summarized as follows: A company is as strong as the people who work for it. The people in the most strategic positions in a company are the executives. Hence, it is particularly important to develop them to their maximum usefulness. If their abilities to solve problems, reach wise decisions, and work effectively with others can be strengthened, good results will be forthcoming all along the line.

Company experience, while still limited in this field, does indicate that top executives will cooperate in a program designed for their improvement—that, indeed, they welcome it—and that highly constructive results may be expected to flow from such a program.

STEPHEN HABBE

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¹From "Some Characteristics which Facilitate the Personal Acceptance of Psychologists who Function as Psychological Counsel to Management," by J. Elliott Janney, read at the annual meeting of the American Psychological Association, Denver, Colorado, September, 1949.

Trends in Labor Relations

Local Problems in UE vs. IUE-CIO Fight

TWO plant-level problems created by the fight between the CIO-expelled United Electrical, Radio and Machine Workers of America (UE) and the newly created International Union of Electrical, Radio and Machine Workers of America (IUE-CIO)¹ have to do with the UE's use of amalgamated locals, and the activities of UE and IUE-CIO adherents on company property and time.

Letters from several small companies with UE contracts reveal that an obstacle to settling the left-right fight in their plants is the left-wing UE's use of amalgamated local unions. An amalgamated local union is one composed of the employees of several plants in a vicinity. Instead of having a local union in each company, the left-wing UE international union combines the bargaining units of several plants into one big local union.

In those plants where the right-wing IUE-CIO seems to have won the workers' favor, reports indicate that the left-wing UE still controls the union funds, the union contract and the dues checked off from workers' wages because the UE has managed to maintain control of the amalgamated local. As one East Coast cooperator reports:

"Our employees, almost to a man, voted to affiliate with the IUE-CIO, but they have somewhat of a problem because they represent but one of forty firms in the amalgamated local union and they account for less than 5% of its membership. The officers of the amalgamated local have not called a union meeting. If the employees go out of the amalgamated, as they seem likely to do, they will lose whatever money they have contributed to the local."

Another local got around this difficulty, reports an eastern cooperator, by keeping its treasury separate from that of the amalgamated local. The workers voted for switching affiliation to the IUE-CIO and have so far suffered no financial loss. The employer reports that he and the IUE-CIO have agreed to a consent NLRB certification election.

One cooperator, however, reports that the UE's use of amalgamated locals prevents any effective action on the part of workers at all. He writes:

"The UE is represented in our city by a single amalgamated local and includes employees of four companies, with bargaining units ranging from 250 to 1,200 employees.

¹For further data on this fight, see "Impact of UE vs. IUE-CIO Fight," *The Management Record*, February, 1950, p. 42, also "Left-Right Fight in CIO" and "Trends in Labor Relations," *The Management Record*, December, 1949, pp. 514 and 526.

Within a few weeks after their expulsion, our local held a membership meeting to determine the wishes of its members as to continued affiliation with the parent UE. It is reported that there were very few members in attendance and that the resolution was voted upon within five minutes after the meeting convened. The resolution to continue affiliation with the parent UE was reportedly unanimously adopted."

Several cooperators who were dealing with amalgamated locals report that because they knew a left-right fight within the UE was imminent, they insisted on dealing only with representatives from their own plants. Thus, when the split came, they ran into less difficulty than they would have had they conducted negotiations with officials of the amalgamated local unions.

Factional Meetings

Meetings by UE and IUE-CIO factions held on company property are plaguing some companies. To meet this difficulty most of these companies are forbidding all meetings on company property. A few companies report that they found both UE and IUE-CIO adherents moving from department to department circulating petitions on company time. To meet this problem one company now makes it mandatory that employees secure a pass each time they want to visit another department. This, the company's industrial relations director reports, has met the problem.

New Store Union Established

February marked the formation of another left-wing independent union. Dissident elements which last year broke away from the CIO Retail, Wholesale and Department Store Union set up the Distributive Workers Union. The new setup formalizes an arrangement that has in reality existed for over a year. The union, which claims to represent 35,000 workers, plans for three main divisions: department store joint board; the joint board of wholesale, warehouse and processing workers (mostly Local 65), and a joint board of retail, drug and sporting goods workers. While the new extreme left-wing union is made up of New York local unions, its leaders indicate that they intend to absorb left-wing unions in other cities and push further organization.

UAW-CIO Loses Union Shop Vote

The UAW-CIO has suffered what is purported to be its first defeat in a large-scale union shop election.

The NLRB-conducted election, held at Caterpillar Tractor Company's Peoria plant on February 15, produced the following results:

Eligible to vote.....	17,924
Total voting.....	13,754
"Yes" Votes.....	8,863
"No" Votes.....	4,810

The union failed by 100 votes to secure a majority of eligible employees in the bargaining unit as required by the Taft-Hartley Act. The result is significant not only because it marks the UAW-CIO's first defeat in a large-scale union shop election, but also because at least 2,500 UAW-CIO members did not vote in favor of a union shop. The union has about 11,500 Peoria employees on its checkoff list, but only 8,863 voted for the union shop. The UAW-CIO took over this plant from CIO-expelled Farm Equipment Workers Union a year and a half ago.

Company Consent for Assignment

Company consent is required for any switch in unions under the assignment clause of an East Coast firm with an AFL federal labor union. The assignment clause reads:

"Except with the consent of the company, this agreement cannot be assigned, transferred, or conveyed to any group, party, corporation, labor organization, or other union, by the union, and shall not inure to the benefit of any other union not affiliated with the American Federation of Labor."

UAW-CIO and IAM Sign Pact

A no-raiding agreement has been concluded by two of the nation's largest unions: the CIO Auto Workers, and the International Association of Machinists. The principal point of the agreement is that where one organization has established a contractual relationship with an employer, "the other organization shall not in any way interfere with this relationship by having its officers, representatives, or members solicit or accept membership applications or authorization cards, or cause or promote campaigns of any nature designed to disturb such relationships."

AFL Union Prepares for Welfare Bargaining

"Be prepared" seems to be the motto of the AFL Bridge, Iron and Structural Workers for bargaining on welfare funds. The union, according to a letter sent by its international president, John H. Lyons, is about to send all local unions the following material:

"1. A memorandum setting forth arguments which could be used in negotiations for a welfare fund. This memorandum will include statistics showing the need for welfare fund benefits. In addition, the memorandum will include answers to general arguments which are sometimes presented in collective bargaining.

"2. A model collective bargaining clause, establishing the welfare fund.

"3. A model trust agreement, with notes as to how such a trust agreement must be adjusted to meet your own particular situation.

"4. A general memorandum indicating the kind of benefits which may be included in the welfare fund, what these different kinds of benefits cost, how a welfare fund should be administered, what records must be kept, and other important information.

"5. A detailed outline of the steps involved in establishing a welfare fund so that, in effect, your local will have a general blueprint which you may wish to adjust to meet your own requirements."

Male vs Female

A new twist in the age-old controversy of male vs. female appears in an AFL Glass Bottle Blowers union contract with an eastern manufacturer. The jobs of male workers are protected from encroachments by female workers by this clause:

"All male packers in the packing department who are in the employ of the company as of the date of the signing of this agreement shall not be replaced by female packers unless they voluntarily quit the packing job, are retired, or are discharged for just cause."

Discriminate and Be Fired

A man who discriminates against a fellow worker can be fired under a contract between the International Association of Machinists and a western manufacturer. The IAM clause reads as follows: "The union will never discriminate against a fellow worker on account of creed, color or national origin. Any such discriminatory action on the part of any employee shall be just cause for discharge."

Foremen Active in Labor Relations

Programs for bringing sound labor relations down to the foreman level are of current interest to labor relations executives. A plant of the Owens-Illinois Glass Company has recently instituted a new series of meetings which is intended to bring about more active participation by foremen in labor relations. Each shift foreman meets regularly every month with three union representatives from his group. At this time, they attempt to settle minor problems before they get to the grievance stage. The company reports that there are about fourteen such meetings every month, each meeting lasting about one hour.

Handling "Red Circle" Workers

How to handle "red circle" employees whose existing rates are higher than those established by job

evaluation is always a problem in any job classification and job rating program. When a union enters the picture and the classification and rating becomes subject to collective bargaining, the problem becomes even more complex. How to handle incumbent "red circle" employees was worked out by an eastern manufacturer and the CIO Steelworkers in the following clause:

"(a) An employee is an incumbent when he receives a rate of pay in excess of the rate for his proper classification.

"(b) An employee may be an incumbent in only one grade of one classification.

"(c) The reclassification of employees, resulting from the reclassification study, shall not result in the cutting of any individual employee's rate.

"(d) An incumbent shall be laid off and/or recalled as the case may be in his proper classification but upon recall to the grade of classification in which he enjoys incumbent status shall receive his incumbent rate.

"(e) An incumbent shall retain his incumbent rate only so long as he is working within his classification, and his work is the same or similar or of a comparable skill to the job on which he enjoyed the incumbent rate.

"(f) Each employee is to be properly classified as soon as practicable after October 15, 1949, according to written job descriptions as they presently exist, or as they may have been modified by agreement between the company and the union, in accordance with the work he is performing.

"(g) An employee shall lose his incumbent status on termination of his seniority or on termination of his recall rights to the grade of classification in which he enjoyed the incumbent rate.

"(h) An incumbent who is upgraded to a higher grade or classification shall receive either his incumbent rate or the rate of the higher grade or classification, whichever is greater.

"(i) An incumbent who is transferred or downgraded to avoid a layoff shall receive the proper hourly rate for the grade or classification to which he is transferred or downgraded.

"(j) An incumbent who transfers at his own request shall receive the proper rate for the grade or classification of the job to which he is transferred, and he shall permanently lose his right to his incumbent rate.

"(k) Incumbent rates shall be personalized and not attached to the job, and any successor to any incumbent will receive the proper rate for the grade and classification of the job.

"(l) When an opening occurs in a grade of classification and there are incumbents in that classification receiving the rate of the grade in which the opening occurs, such incumbents shall have the opportunity to fill such vacancies as hereinafter provided in preference to all other employees not carrying an incumbent rate regardless of their seniority. The most senior of the incumbent employees within the classification shall be given preference with the right to refuse to move up to the higher classification with the proper rate. If the senior incumbent refuses, each eligible incumbent, in order of descending seniority, shall be given the opportunity to accept the higher classified job with the proper rate. If all incumbents refuse, the incumbent with least seniority has no choice and must accept the higher classified job with the proper rate or permanently lose his incumbent status."

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Division of Personnel Administration

Briefs on Personnel Practices

25% of Employees Are World War Vets

More than 25% of all employees of the Grumman Aircraft Engineering Corporation are veterans of World War II. This fact was revealed at the recent unveiling of bronze memorial plaques dedicated to employees of the company who had served in the armed forces and commemorating those who had given their lives.

Who's Graduating?

Graduation dates and the names of the placement officers at 350 colleges and universities in the United States are listed in the December, 1949, issue of *School and College Placement*, a quarterly journal of the Association of School and College Placement. The information, listed by states, will be of special interest to companies planning to recruit college seniors dur-

ing the next several months. Further details may be obtained from the Association at 2721 Fidelity-Philadelphia Trust Building, Philadelphia 9, Pennsylvania.

Attitude Survey with Advance Advertising

Before the Caterpillar Tractor Company conducted a written questionnaire-type attitude survey of all its wage earners and salaried employees last month, it recognized the need for giving employees advance information about such a survey. Accordingly, the last issue of the employee magazine contained a complete story covering such important items as: when the survey would be conducted, who would participate, why the survey was being made, and who would administer the questionnaires. Photographs of the "outsiders" who conducted the survey were published as part of the article.

Holland's National Plan To Avert Strikes

IN a time of crisis, labor-management relations undergo a marked change. Seemingly irreconcilable differences are met, overcome, and both parties work for the common welfare of the nation. This was true of most industries in the United States during the war. It is true now of the Netherlands in its postwar crisis.¹

A WAR BABY

The Netherlands labor-management cooperation program was conceived in war and brought forth in the intense drive of the Dutch people for economic recovery following their liberation from the Nazis.

The Dutch people's experiment may be worth analyzing because of their strike record. In the five years since their liberation from the Nazis on May 5, 1945, they have lost by strikes only a seventh of the man-days they lost in a similar five-year period after the First World War. For the five years following the First World War, 9,907,100 man-days were lost as a result of strikes. For a period of slightly less than five years following World War II, strikes resulted in only 1,467,000 man-days lost. (Table 1.)

Even this figure of approximately 1.5 million man-days lost by strikes after World War II does not tell the whole story. A large proportion of the man-days lost were caused by strikes called by Communist-led unions which have not entered into the Dutch labor-management cooperation program. In the period from 1947 to 1949, for example, Communist unions accounted for 51% of all the time lost by strikes. (Table 2.)

COMMUNIST STRIKES

The great number of man-days lost due to strikes called by Communist unions looms even larger in light of the Communist unions' very low numerical strength. Labor in the Netherlands is organized into three non-Communist federations and one Communist group. The Netherlands Federation of Trade Unions (NVV), the socialist group, has a membership of slightly more than 400,000 and is the largest labor federation in the Netherlands. The Catholic Labor Movement (KAB) has a membership of 285,000. The Christian National Labor Union (CNV) is a Protestant group, and has a membership of slightly more than 150,000. The Communist group, the Unity

¹Statistical data and background material for this article were furnished to THE CONFERENCE BOARD by Clarence E. Hunter, Chief of Mission, U.S.A., Economic Cooperation Administration (Marshall plan), Special Mission to Netherlands.

Trades Union Central (EVC), has an estimated membership of about 80,000, although there is no accurate record.

During the 1947-1949 period, the Communist unions with but 9% of the Dutch trade union membership called 87% of the official strikes and accounted for 99% of all time lost by officially called strikes. Non-Communist unions, which represent 91% of Dutch union membership, called only twenty-one official strikes during the 1947-1949 period. These strikes accounted for only 4,200 lost working days during the three-year period.

While the non-Communist unions had few official strikes, wildcat strikes occurred frequently during the postwar period. From January 1, 1947, to September 30, 1949, there were 412 wildcat walkouts, which accounted for 303,400 man-days lost. (Table 2.)

NETHERLANDS STRIKES AND U. S. STRIKES

A possible yardstick for measuring the Netherlands national labor-management cooperation program is furnished by a comparison of Dutch and United

Per Cent of Man-Days Lost Due to Strikes:

Year	Netherlands	United States
1947.....	0.03	0.41
1948.....	0.02	0.37

States strike statistics. The ratio of man-days lost due to strikes to total man-days worked in both countries is shown in the above table.

Strikes in the Netherlands for Two Postwar Periods

Source: Publications of the Netherlands Central Bureau of Statistics
Thousands of Man-days Lost

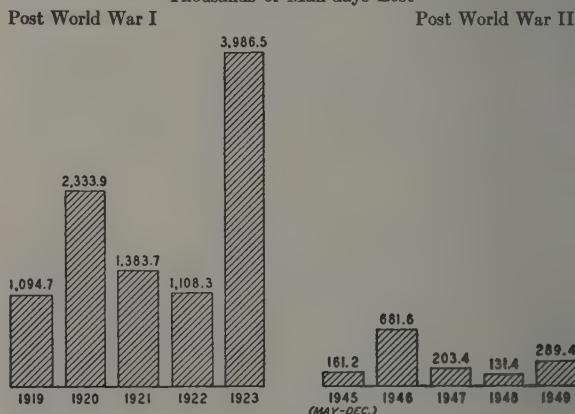


Table 1: Strikes and Lockouts During Two Postwar Periods in The Netherlands

Years	Number of Disputes	Man-days Lost for the Year
1919.....	649	1,094,700
1920.....	481	2,333,900
1921.....	299	1,383,700
1922.....	325	1,108,300
1923.....	289	3,986,500
Total for years following World War I.....	2,043	9,907,100
1945 (May-December).....	118	161,200
1946.....	270	681,600
1947.....	272	203,400
1948.....	183	131,400
1949.....	116	289,400
Total for years following World War II.....	959	1,467,000

Behind these strike statistics is the story of the Dutch labor-management cooperation that goes back to the days of Nazi occupation. During this period the Netherlands non-Communist labor organizations conceived, planned and perfected the principle of management and labor sitting down to the conference table with the avowed intention of working out their common problems without undue injury to either.

Immediately after liberation on May 5, 1945, the Foundation of Labor, as such, was officially brought into being. Both labor and management felt that the recovery and welfare of the Netherlands were of greater importance than their individual interests. In striving for this objective, however, labor and management leaders have not ignored the basic needs of their respective constituents.

MAKE-UP OF FOUNDATION

The Labor Foundation, which meets weekly, is composed of an equal number of representatives from labor and industry. It represents the whole of Dutch industrial life. In addition, joint industrial councils are set up in the various branches of industry. These councils discuss and consider problems of their specific industries.

Joint Industrial Councils

Management and union officials in a meeting of one of these joint industrial councils, might discuss, for example, the wage level in their branch of industry. They may, perhaps, come up with a recommendation for certain wage increases in a firm or industry. This recommendation would then be reviewed by the Foundation of Labor, which includes leaders of the central organizations with which both sides in the industry are affiliated. The Foundation of Labor then calls the representatives of the industry together and compares their proposal with the standards laid down for the country's general wage policy. Repeatedly, the central organizations in both labor and management have called in union and employer representatives of the industry concerned to tell them that their recommendations do not fit in with a sound

wage policy. They suggest that the council members modify their recommendations.

Thus, in consultation with the parties concerned, but finally on its own responsibility, the Foundation of Labor arrives at a recommendation that it will submit to the Board of Government Conciliators—the government office that is in charge of wage regulations.

The Dutch Government has officially recognized the foundation as its advisory body. During 1948, the foundation submitted to the government 153 advisory opinions or recommendations. Ten of these were of a national labor-management interest, such as the creation of a new national holiday (Liberation Day, May 5). One hundred and forty-three related to problems in individual industries or enterprises.

In almost every instance, the foundation's recommendations have been determined by unanimous action. In the few instances where unanimity could not be reached, each party made a separate report to the government.

When the Foundation of Labor submits a unanimous decision or recommendation to the Board of Government Conciliators, it is generally accepted and is made binding through board regulations. In the event that the foundation's recommendation is not unanimous, the Board of Government Conciliators acts as an arbitrator, renders a decision and issues a binding regulation.

DISAGREE OVER WAGE BOOST

Such was the case in the closing months of 1949. At that time, the Foundation of Labor considered increasing wages to offset the increased cost of living. The positions of labor and management were forcefully presented during the discussions. Labor wanted a compulsory wage increase; management took the

Table 2: Communist vs. Non-Communist Strikes in The Netherlands

January 1, 1947-September 30, 1949

Year	All Strikes	Communist Strikes	Non-Communist Official Strikes	Unofficial Wildcat Strikes
<i>Working days lost:</i>				
1947.....	203,400	61,700	1,900	139,800
1948.....	131,400	81,000	400	50,000
1949.....	289,400	173,900	1,900	113,600
Total.....	624,200	316,600	4,200	303,400
<i>Number of strikes:</i>				
1947.....	272	33	12	227
1948.....	183	63	4	116
1949.....	116	42	5	69
Total.....	571	138	21	412

Total working days lost on account of Communist strikes compared with total working days lost on account of all strikes... 51%
 Working days lost because of Communist strikes compared with working days lost because of all official strikes..... 99%
 Number of strikes called by Communist union compared with strikes called by all unions..... 87%

position that the increase, if any, should be optional with the industry. As a result, the foundation failed to make a joint recommendation to the government. The three labor federations (Socialist, Catholic and Protestant) held special congresses for the purpose of apprising their respective memberships of what took place during the Foundation of Labor discussions. Each congress passed a resolution which outlined the organization's backing of the requested general wage increase.

The three labor federations presented these resolutions to the Board of Government Conciliators. The employers presented their contentions to the board also. Since the Foundation of Labor failed to make a unanimous recommendation, it became the responsibility of the Board of Government Conciliators to render a decision. On December 23, 1949, the board issued a decree, effective January 1. It provided that wages could be increased a maximum of 5%.

Since January 1, 1950, about 80% of industry has

agreed to make the 5% increase compulsory. Some of the industries which have not agreed to a compulsory increase have contended they cannot afford to do so. The unions have issued, or are threatening to issue, ultimatums to such industries. Unless the increase is granted, there is a possibility that there will be strikes to force these employees to agree to a compulsory increase.

The Dutch unions' request for a general, nationwide increase in wages is probably the most important one made on the foundation since its inception. In view of the foundation's inability to compose the differences between labor and management on this important subject, some observers believe that possibly the foundation is losing its effectiveness in settling disputes. If this be the case, it would spell the end of an era in Dutch labor relations.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Briefs on Personnel Practices

Management Development Plan

A plan for management development recently announced by the National Council of Industrial Management Clubs is now available to any interested group. Its purpose is to enlarge the foreman's concept of his job as part of the management team.

A minimum program which can be accomplished by small groups of foremen and supervisors meeting two hours weekly for five weeks is provided in the plan. However, the duration of the training can be extended according to the needs of the participants.

Different clubs already have met and discussed such questions as:

What is profit, and what does it do?

How can discipline be made effective?

What part should the foreman play in community relations?

What do people want from their jobs?

What are sound principles in handling grievances?

When the last problem was discussed by one club, some of the questions explored were:

What is the distinction between grievances and complaints?

Should a foreman consult a steward before passing a grievance up higher?

How should a foreman "save face" when reversed?

Who should be considered in the handling of grievances?

Should arbitration be the final step? Always?

Should the aggrieved be present at the final hearing stage?

The manual is entitled, "How to Organize and Conduct a Management Development Group." It is available for one dollar from the association press, The National Council of the YMCA, 291 Broadway, New York 7, New York.

College Scholarships as Memorial

Two scholarships are awarded annually as a tribute to the memory of West Penn System employees who died in World War II. Each provides \$500 a year and is good for four years of undergraduate work in an accredited college of the winner's choice. The scholarships are awarded on the basis of a competitive examination.

One of the scholarships is open to sons or daughters of employees who have had at least five years' continuous service with one of the companies in the system. The second is offered to junior employees of the company who are high school graduates and who have been continuously employed by any of the system companies for at least two years.

A Memorial Scholarship Committee passes on the eligibility of applicants.

Trends in Employee Benefit Plans

Guaranteed Wage for Laundry Workers

Laundry employers of Greater New York now guarantee their male employees forty hours of work a week, while their women employees are guaranteed a minimum weekly wage. The agreement (effective February 1) negotiated between the Amalgamated Clothing Workers of America, CIO, and the employers provides:

"The employer shall guarantee all males of the regular force a minimum of forty hours of work per week. The employer shall guarantee all females of the regular force a minimum wage of \$26.50¹ per week. The provisions of this clause shall not apply during holiday weeks or in the event of a breakdown of more than six hours from causes beyond the control of the employer."

The union points out that while the guarantees are on a weekly basis, this is tantamount to an annual guarantee as the laundry industry operates fifty-two weeks a year. The new agreement runs for two years and covers approximately 25,000 workers. While these minimum guarantees have been in effect in some companies for at least two years, the provisions have been liberalized and made uniform in the present contract.

Part of New Contract

A pension agreement is also part of the new contract. Employers will contribute 1% of pay rolls to a fund, administered by the union, but with representatives of employers sitting on the board of directors. Pension payments will not be made until sufficient funds, determined actuarially, are accumulated.

Union Pension Guide

Because of the unanticipated nation-wide interest in pensions, many employers and workers are confronted with the difficulty of discussing a highly technical subject with inadequate information.

To inform its local union officials and members, the national office of the CIO Utility Workers Union has prepared a pension guide. This publication gives a factual presentation of the more important aspects of a pension plan. Although the subject is technical, the style is simple and easily understandable.

The pamphlet suggests that each local review the company plan covering its members, or, if none exists, to think about the kind of plan that would be most suitable for them. The guide states: "Pension plans

¹In the linen supply and flatwork divisions, the women's minimum is \$28 a week.

are complex things. Getting the most for your money requires detailed and lengthy study and, in many cases, expert guidance. It is worth making this study before deciding on the kind of pension plan which should be instituted, or kind of changes which should be made in an existing plan.

Need for Careful Decision

"It is worth looking very carefully before you leap. Truly, when you decide about a pension plan, it is a decision you live with the rest of your life."

The Utility Workers' recommendation of a tailor-made plan is in contrast to industry-wide patterns set by the United Steelworkers.

To illustrate the variety of pension provisions, an appendix compares the principal features of four plans operating in the electric and gas utilities.

Liberalized Pension Plan

The Freeport Sulphur Company has liberalized its pension plan and is providing a minimum pension of \$150 a month, including Social Security benefits, for thirty years' service. A supplemental pension is also provided on earnings in excess of \$300 a month. This amounts to 0.75% of earnings above \$300 a month, multiplied by years of participation in the plan. The basic pension available to all employees is computed by multiplying 1.5% of average monthly income by years of participation. Employees contribute 3% of earnings up to \$300 a month, and approximately 4.5% of earnings in excess of \$300, the company to pay the balance of the cost, as well as all of the past service benefits.

Bargaining on Group Insurance

Employers affiliated with the Electronics Manufacturers Association, Inc., have agreed with the United Electrical Workers to contribute four cents per hour per employee for a group insurance plan. The group insurance clause reads:

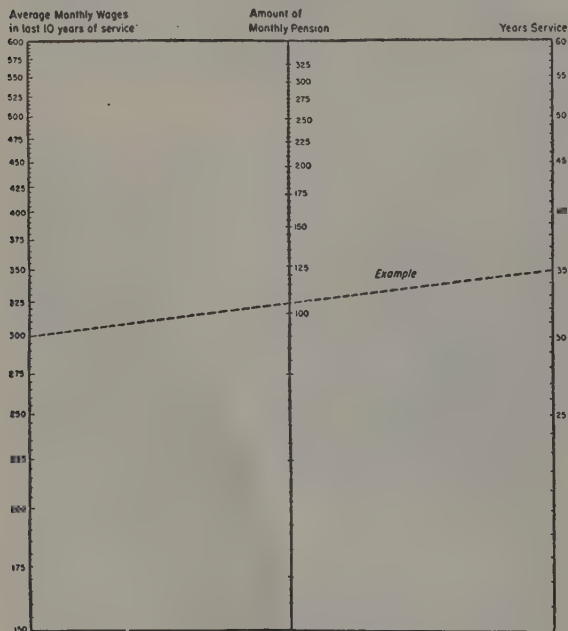
"Group Insurance

Effective February 1, 1950, each employer shall establish a group insurance plan, the premium for which shall cost four cents per hour per employee, providing for his employees the best combination of life insurance, disability benefits, hospitalization, and surgical benefits obtainable for the premium cost specified. The details of

the group insurance plan shall be agreed upon between the employer and the union prior to the installation of such plan. Each employer who is already paying all or part of the cost of a group insurance plan for his employees shall be credited with such payments and, in the event the premium cost thereof to the employer is less than four cents per hour per employee, shall increase such insurance benefits so that the premium cost to such employer will be four cents per hour per employee."

Computing Pensions

The United Steelworkers of America, CIO, is using its monthly newspaper, *Steel Labor*, to educate its members on the benefits which they will receive under the so-called Bethlehem formula. On the cover of the December issue it gives a simple scale which enables the worker to compute his own pension. This chart is reproduced below.



TO GET AN ESTIMATE OF YOUR PENSION:

1. On the left-hand scale, find what you figure will be your average monthly wage for the ten years before retirement.
2. On the right-hand scale, find the number of years of service you will have at retirement.
3. Connect these two points by a straight line.

The amount shown at the point where the line crosses the middle scale is the amount of your monthly pension at retirement.

If you have twenty-five or more years of service, your pension will be at least \$100 a month, including Social Security, no matter where the straight line crosses the center scale. To find your minimum pension for less than twenty-five years of service look at the table below.

Minimum Pension Table
(Including Social Security)

Years of Service	Minimum Monthly Pension
25 or more.....	\$100
24.....	96
23.....	92
22.....	88
21.....	84
20.....	80
19.....	76
18.....	72
17.....	68
16.....	64
15.....	60

This table shows you the guaranteed minimum pension for years of service at age 65.

Death and Retirement

Some companies have found it desirable to combat, through the pages of their employee publication, the idea that a pension is a death warrant. For instance, one large company published an article entitled, "When It's Time to Retire—Don't Let False Rumors Bury Your Hopes of a Long and Happy Retirement."

The article points out that since the company's plan started in 1937, a total of 1,728 employees had retired as of June, 1949, and of this number 1,419 are still alive. The article goes on to say:

"These figures stand in plain contradiction of the black-edged rumor and are also of valuable assistance in dispelling the gloomy and despondent conjectures which grow up in its wake.

"Such conjectures are dangerous as well as gloomy, for in accepting as fact the statement that no one survives his retirement for a very long time, a man gives house room also to the idea that preparation for retirement is pretty fruitless. . . . A man who thinks like this may easily panic in the face of an imaginary peril and expose himself to the very real danger of a pauperized old age."

The article concludes with the observation that the man who retires at age sixty-five has a life expectancy of from eleven to fifteen years. Because of the advance in medical science, it points out, the life expectancy may be even longer for an employee currently entering the company's pension plan.

F. BEATRICE BROWER
Division of Personnel Administration

Labor Press Highlights:

CIO Bids Four More Adieu

CIO BOARD Gives Four Leftie Unions Heave Ho." The headline from *The IUE-CIO News* (Electrical Workers, CIO) keynoted CIO labor press sentiments last month. The four unions which joined the UE and FE in exile are the International Union of Mine, Mill and Smelter Workers; the United Office and Professional Workers of America; the Food, Tobacco, Agricultural and Allied Workers Union; and the United Public Workers of America. All four were expelled on similar grounds.

In the case of the Mine, Mill and Smelter Workers, one of the CIO's founding unions, the charge, according to *The IUE-CIO News*, was following a program directed toward the achievement of Communist party purposes. In expelling the UOPWA, the CIO stated that the union's policy "followed without deviation the program of the CP." By following the zigs and zags of the Communist party, continued the report, the UOPWA's 45,000 membership of 1946-1947 has "decreased to a pitiable 12,000."

Of the United Public Workers, the CIO stated "persistent party-line tactics of its leadership have driven out of the UPW the major portion of its American membership." And in the case of the expelled FTA, the CIO's grounds were that a membership of 46,700 in 1947 had dwindled to 22,590 in 1949 because of "slavish adherence of the FTA leadership to the program and policy of the CP."

No official answer is yet provided by CIO papers as to whether organizing committees or established unions will fill these jurisdictional gaps. But shifts already being reported may cue in future policies.¹ Three CIO unions have already made bids for the Mine, Mill and Smelter Workers' membership. The United Gas, Coke and Chemical Workers has replaced the UMMSW as bargaining representative for 2,750 employees at St. Joseph's Lead Company, according to the Victory Edition, *CIO News* (UGCCW, CIO). The *United Automobile Worker* reports that another Cleveland die-casting local of UMMSW has affiliated with the UAW-CIO. And the CIO's Canadian Congress of Labor has turned over Mine, Mill and Smelter Workers' entire Canadian jurisdiction to the United Steelworkers of America, reports *The Brewery Worker*.

FE jurisdiction was turned over to UAW a year ago. But a switch of 800 workers of the Columbia

¹See "Labor Press Highlights—Left-Right Shift in CIO Membership Grows," *The Management Record*, January, 1950, p. 20.

The CIO now has confirmed some jurisdictional shifts. United Mine, Mill and Smelter Workers jurisdiction in the United States will be taken over by the United Steelworkers of America. Die casting units of the UMMSW go to the UAW. The Food, Tobacco and Agricultural union's jurisdiction is ceded to three unions: The United Brewery Workers take over cereals; canning, packing and food processing goes to the United Packinghouse Workers; and tobacco goes to the United Transport Service Employees Union. New CIO unions will eventually be set up to replace the ousted United Office and Professional Workers of America, and the United Public Workers of America.

Rope Company, Auburn, N. Y., from the FE to the CIO Textile Workers union is reported by the *United Automobile Worker*. In this case, adds the report, "UAW-CIO representatives agreed that the Textile Workers was the appropriate CIO union for the rope workers."

FTA locals are anxious to get out from under Communist domination, according to *The Brewery Worker* (United Brewery Workers, CIO), "but their top officials are in such complete control of the respective organizations that the members are virtually helpless." *The Brewery Worker* documents its claim with a report on one Florida local that voted to secede from FTA and had applied for a charter from the Brewery Workers union. According to the report, however, before the affiliation could take place, a new set of officers was installed and the local is still with the FTA.

Retirement "Unthinkable" for Lewis

Stating that "it is not only necessary but imperative to continue the services of our international president," the executive board of the United Mine Workers waived the constitution's compulsory retirement provision in the case of John L. Lewis. The constitution calls for retirement of union officials at age seventy. Mr. Lewis was told of the executive board action in this letter reprinted, in part, from the *United Mine Workers' Journal*: "To stop the wishful thinking in unfriendly circles and to allay the fears of our membership, the international executive board of the United Mine Workers of America, in your absence, met in formal session recently and decided, in conformity with the provisions of the international constitution, that it is mandatory for you to continue your magnificent service as

international president of the United Mine Workers of America. A copy of the resolution adopted by the board on this question is enclosed and it is unthinkable that you would even remotely contemplate going contrary to this unanimous decision of the members of the international executive board who have dedicated their lives to your leadership and guidance."

Seek Area Welfare Plan

Fifteen northern California locals of the AFL Sheet Metal Workers International Association will seek an area-wide welfare plan in new contract negotiations, reports *Organized Labor* (San Francisco Building Trades, AFL). The local will negotiate for wages on an individual basis. But the welfare plan, says the report, will be sought on a collective basis to cover members "transferring or working" within the area.

AFL, IAM Move for Unity

An end to the five-year schism between the International Association of Machinists and the American Federation of Labor is being sought by AFL president William Green and IAM president A. J. Hayes, reports the *St. Louis Labor Tribune* (AFL, St. Louis, Mo.). The reaffiliation invitation to IAM calls for all AFL unions having jurisdictional disputes with the Machinists to settle them within sixty days. The 600,000-member IAM, according to the report, will then poll its membership on reaffiliation. Mr. Hayes, as quoted by the *Labor Tribune*, is all for unity with the CIO as well as with the AFL. "We are AFL-minded and hope the executive council will make it possible for us to reunite with the Federation. If so, then we hope that some day the AFL and the Congress of Industrial Organizations will unite on the economic field as they are cooperating on a political field."

Added note on the Hayes bid for labor harmony is a new booklet of labor songs announced by the IAM president to replace those that "have been purloined by the Communists and aren't sung by organized labor any more." The new song titles, listed in *Labor* (AFL and independent railroad unions) include "On A Picket Line," "A Pin for Your Lapel" and "Let's All Shed A Tear (for the Boss)."

More About Denham

Chief counsel of the NLRB, Robert N. Denham, has been called "unfit to continue in office" by the *AFL Weekly News Service*, *The CIO News*, and the United Mine Workers District 50 *News*, among others. *The CIO News* says, "The clamor for Denham's removal has become a roar." The most recent Denham action condemned in the *AFL News Service* is a speech he made before the Building Trades Employer's Association in New York. In it, according to the AFL, "Mr. Denham subtly but emphatically urged these employers to seek reversal of these decisions in the courts, even though he as general counsel is required under the law to represent in the courts the very agency he criticized."

Maritime Unions Seek Hiring Hall O.K.

The *Pilot* (National Maritime Union, CIO) reports that AFL and independent maritime unions, including the AFL Seafarers International Union and the Masters, Mates

and Pilots Union, are prepared to join with the NMU in an all-out effort to retain the hiring hall through amending the Taft-Hartley Act.

Builders Seek Thirty-hour Week

The AFL California State Building Trades Convention closed with a resolution favoring the thirty-hour week, reports *Organized Labor* (Building and Construction Trades Council, Calif.). In negotiating new building trades agreements, efforts will be made to get the six-hour day and thirty-hour week.

Organizing the Canadian Unemployed

Canada's unemployed, listed at 300,000, have become a new organizing goal for the CIO's Canadian Congress of Labor, reports *Textile Labor* (Textile Workers Union of America, CIO). A new union called the National Union of Employables will be launched with these reported purposes: to provide the unemployed "with a full and effective voice"; to prevent jobless workers from being "victimized by political parties, communist or fascist"; to protect working standards by campaigning for full employment instead of allowing surplus labor to bring about lower wages.

AFL to Charter Aluminum Workers

Another AFL international union, bringing the total of such unions to 108, is in the making, reports the *Fox Valley Labor News* (AFL, Illinois). Plans under consideration by AFL President Green and Secretary Meany call for a charter to be issued to the Aluminum Workers National Council. The council is now composed of 12,000 members in various AFL federal unions, says the report.

AFL Charts Income

Per capita tax brought \$2,881,236.51 into the AFL during the fiscal year ending August 31, 1949, according to the AFL financial statement in the *American Federationist*. Total receipts for the year amounted to \$3,571,481.90. Largest single AFL expenditure went to organizing activities: \$1,044,615.97 for organizing expenses and another \$840,512.29 on organizers' salaries.

Union Costs Going Up

"The cost of union representation has gone up too!" says *The Public Employee* (American Federation of State, County and Municipal Employees, AFL).

Since 1937, these changes have taken place:

Item	Percentage increase
Average salaries for organizers.....	100
Clerk (beginning salary).....	78.7
Stenographer (beginning salary).....	70
Affiliation fees to AFL.....	300
Railroad transportation—per mile.....	33.3
Automobile—per mile.....	50
Organizing costs, per diem.....	66.6
Mimeograph paper.....	58
Fuel.....	66.6
Printing.....	80

In contrast, the union's per capita income has gone up only 16.6%, says *The Public Employee*.

HAROLD STIEGLITZ
Division of Personnel Administration

SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1950	1949							Year Ago	Percentage Change	
		Jan.	Dec.	Nov.	Oct.	Sept.	August	July	Latest Month over Previous Month ¹		Latest Month over Year Previous	
Clerical salary rates ²												
Office boy (or girl).....	median in dollars	.....	.....	.....	83	.....	.....	.....	.....	.....	.....
Receptionist.....	median in dollars	.....	.....	.....	45	.....	.....	.....	.....	.....	.....
Telephone switchboard operator.....	median in dollars	.....	.....	.....	48	.....	.....	.....	.....	.....	.....
File clerk.....	median in dollars	.....	.....	.....	36	.....	.....	.....	.....	.....	.....
Junior copy typist.....	median in dollars	.....	.....	.....	36	.....	.....	.....	.....	.....	.....
Senior copy typist.....	median in dollars	.....	.....	.....	43	.....	.....	.....	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	.....	.....	38	.....	.....	.....	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	.....	.....	45	.....	.....	.....	.....	.....	.....
Stenographer.....	median in dollars	.....	.....	.....	46	.....	.....	.....	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	.....	.....	42	.....	.....	.....	.....	.....	.....
Billing machine operator.....	median in dollars	.....	.....	.....	45	.....	.....	.....	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	.....	.....	46	.....	.....	.....	.....	.....	.....
Key punch operator.....	median in dollars	.....	.....	.....	42	.....	.....	.....	.....	.....	.....
Consumers' Price Index												
Food.....	Jan. 1939=100	200.9	200.9	204.0	204.0	209.6	208.2	207.8	211.3	0	-4.9	
Housing.....	Jan. 1939=100	114.8	113.7	113.7	113.7	112.7	112.7	112.7	112.1	+1.0	+2.4	
Clothing.....	Jan. 1939=100	143.3	143.6	143.8	144.0	144.1	144.0	144.8	153.7	-0.2	-6.8	
Men's.....	Jan. 1939=100	156.2	156.2	156.4	156.5	156.6	157.3	157.8	165.3	0	-5.5	
Women's.....	Jan. 1939=100	132.3	132.8	133.1	133.3	133.5	132.8	133.9	143.9	-0.4	-8.1	
Fuels.....	Jan. 1939=100	130.6	130.1	129.6	128.8	128.0	127.1	126.9	128.8	+0.4	+1.4	
Electricity.....	Jan. 1939=100	92.6	92.6	92.6	92.3	92.3	91.9	92.0	90.4	0	+2.4	
Gas.....	Jan. 1939=100	101.9	102.0	102.0	101.9	101.8	101.9	101.8	100.7	-0.1	+1.2	
Housefurnishings.....	Jan. 1939=100	147.6	147.5	147.2	147.4	147.5	148.0	148.7	157.1	+0.1	-6.0	
Sundries.....	Jan. 1939=100	154.1	154.4	154.5	154.5	154.6	154.3	154.1	151.7	-0.2	+1.6	
All items.....	Jan. 1939=100	159.3	159.2	160.2	160.2	161.9	161.3	161.2	162.9	+0.1	-2.2	
Purchasing value of dollar.....	Jan. 1939 dollars	62.8	62.8	62.4	62.4	61.8	62.0	62.0	61.4	0	+2.3	
All items (BLS).....	1935-1939=100	166.9	167.5	168.6	168.5	169.6	168.8	168.5	170.9	-0.4	-2.3	
Strikes (BLS)												
Beginning in period.....	number	.....	120	200	250	290	380	350	144	-40.0	-16.7
Workers involved.....	thousands	.....	40	70	600	475	140	110	41	-42.9	-2.4
Total man days idle.....	thousands	.....	1,200	7,500	19,000	6,550	2,100	2,400	713	-84.0	+68.3
Turnover rates in manufactur ³ g (BLS)												
Separations.....	per 100 employees	.....	3.0	4.0	4.1	4.2	4.0	3.8	4.3	-25.0	-30.2
Quits.....	per 100 employees	.....	1.0	1.2	1.5	2.1	1.8	1.4	1.7	-16.7	-41.2
Miscellaneous.....	per 100 employees	.....	.1	.1	.1	.1	.1	.1	.1	0	0
Discharges.....	per 100 employees	.....	.2	.2	.2	.2	.3	.2	.3	0	-33.3
Layoffs.....	per 100 employees	.....	1.7	2.5	2.3	1.8	1.8	2.1	2.2	-32.0	-22.7
Accessions.....	per 100 employees	.....	3.2	3.3	3.7	4.1	4.4	3.5	2.7	-3.0	+18.5
Wage Earners												
All manufacturing industries (BLS) ²												
Earnings, hourly.....	average in dollars	1.418	1.410	1.393	1.392	1.407	1.399	1.408	1.405	+0.6	+0.9	
weekly.....	average in dollars	56.44	56.40	54.74	55.26	55.72	54.70	54.63	55.05	+0.1	+2.5	
Hours per production worker.....	average per week	39.8	40.0	39.3	39.7	39.6	39.1	38.8	39.5	-0.5	+0.8	
Employment.....	1939 average=100	.....	140.5	137.7	138.8	143.7	141.1	136.9	153.5	+2.0	-8.5
Payrolls.....	1939 average=100	.....	331.7	315.5	320.9	335.1	323.0	312.8	360.7	+5.1	-8.0
Durable goods (BLS) ²												
Earnings, hourly.....	average in dollars	1.484	1.478	1.459	1.458	1.482	1.473	1.477	1.467	+0.4	+1.2	
weekly.....	average in dollars	59.81	59.56	57.34	58.17	58.69	57.89	57.31	58.83	+0.4	+1.7	
Hours per production worker.....	average per week	40.3	40.3	39.3	39.9	39.6	39.3	38.8	40.1	0	+0.5	
Employment.....	thousands	6,007	5,965	5,713	5,651	6,060	5,948	5,894	6,640	+0.7	-9.5	
Nondurable goods (BLS) ²												
Earnings, hourly.....	average in dollars	1.343	1.335	1.325	1.325	1.328	1.319	1.332	1.327	+0.6	+1.2	
weekly.....	average in dollars	52.78	52.73	52.07	52.47	52.59	51.31	51.55	51.35	+0.1	+2.8	
Hours per production worker.....	average per week	39.3	39.5	39.3	39.6	39.6	38.9	38.7	38.7	-0.5	+1.6	
Employment.....	thousands	5,449	5,548	5,570	5,717	5,715	5,613	5,317	5,561	-1.8	-2.0	
Class I railroads ⁴												
Earnings, hourly.....	average in dollars	.....	.....	1.620	1.614	1.612	1.429	1.442	1.396	+0.4	+16.0
weekly.....	average in dollars	.....	.....	70.40	68.70	69.82	71.63	69.20	67.88	+2.5	+3.7
"Real" weekly earnings.....	1923=100	.....	.....	175.9	171.6	172.6	177.7	171.8	165.9	+2.5	+6.0
Hours per wage earner.....	average per week	.....	.....	43.5	42.6	43.3	50.1	48.0	48.6	+2.1	-10.5
Agricultural wage rates (BAE) ²												
With board and room, per month.....	average in dollars	96.00	.....	.....	99.00	.....	.....	102.00	102.00	-3.0	-5.9
With house, per month.....	average in dollars	118.00	.....	.....	120.00	.....	.....	130.00	122.00	-1.7	-3.3
Composite rate per hour.....	average in dollars	.59	.....	.....	.57	.....	.....	.56	.60	-3.5	-1.7

¹Changes in Agricultural Wage Rates are quarterly.
²Based on reports from 20 cities.

³Revised series
⁴Derived from Interstate Commerce Commission reports.

^pPreliminary.
^rRevised.

Earnings at All-time High

HOURLY earnings, at the year's start, were higher than ever before—\$1.418 in all manufacturing. Increases did not exceed three cents in any of the industries covered by the Bureau of Labor Statistics but they did prevail in all but four groups. Transportation and paper workers' hourly returns remained stationary while lumber and printing personnel received slightly less in January than in the preceding month.

DURABLE AND NONDURABLE GOODS

Workers in the hard goods industries earned more for a week's work in January than in any other survey month. The gross average came to \$59.81 for the entire group—the result of the rise in pay rolls among transportation equipment, primary metal and electrical machinery manufactures. The nondurable goods industries reported a minor increase in weekly earnings. It amounted to five cents over the month since several sizable declines weakened the general pattern of upward adjustments.

Weekly earnings in all manufacturing were at a record level too, though they were only a few cents above the December, 1949, peak. The average wa-

vered continuously last year because of the variations in hourly earnings and weekly hours, but from January to January it rose by about a dollar.

In the latest monthly survey, the work week declined from 40.0 to 39.8 hours. This was caused by shorter hours in the lower-paid manufacturing industries over balancing a seasonal expansion or return of strikers in the higher-paid ones. Transportation equipment workers, the third highest paid group studied by the bureau, extended their work week by almost two hours in January, whereas the lumber force, which averages considerably less per hour, worked over two hours less than in December, 1949.

Manufacturing employment slipped from its December level to a total of 11,456,000 production workers at the outset of 1950. According to estimates of the Bureau of Labor Statistics, the nondurable goods group determined the downward pattern, with the food industry particularly hard hit by seasonal contractions. It reported 66,000 releases in January. Textiles followed far behind with 13,000 separations over the month. Durable goods employment, on the other hand, increased to 6,007,000 between December and January, thereby reflecting a notable upswing in the

TABLE 1: HOURS AND GROSS EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS
IN MANUFACTURING INDUSTRIES, JANUARY, 1950

Source: Bureau of Labor Statistics

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	Jan., 1950p	Dec., 1949	Jan., 1949	Jan., 1950p	Dec., 1949	Jan., 1949	Jan., 1950p	Dec., 1949	Jan., 1949
ALL MANUFACTURING	56.44	56.40	55.50	39.8	40.0	39.5	1.418	1.410	1.405
Durable goods.....	59.81	59.56	58.83	40.3	40.3	40.1	1.484	1.478	1.467
Electrical machinery.....	59.03	58.71	57.01	40.6	40.6	39.7	1.454	1.446	1.436
Fabricated metal products (exc. ord., mach. and trans. equip.)..	60.49	59.62	58.23	40.6	40.5	40.1	1.490	1.472	1.452
Furniture and fixtures.....	51.29	52.46	48.34	41.0	42.1	39.4	1.251	1.246	1.227
Instruments and related products.....	56.30	57.02	55.36	39.4	40.1	40.0	1.429	1.422	1.384
Lumber and wood products (except furniture).....	47.63	52.87	49.82	39.3	41.4	40.7	1.212	1.277	1.224
Machinery (except electrical).....	61.18	61.26	61.72	39.6	39.7	40.5	1.545	1.543	1.524
Ordinance and accessories.....	60.90	60.85	58.08	40.2	40.7	40.9	1.515	1.495	1.420
Primary metal industries.....	63.40	62.92	63.72	39.6	39.4	40.0	1.601	1.597	1.593
Stone, clay, and glass products.....	54.71	55.79	54.50	39.5	40.4	40.1	1.385	1.381	1.359
Transportation equipment.....	70.73	67.70	66.23	42.0	40.2	39.9	1.684	1.684	1.660
Nondurable goods.....	52.78	52.73	51.35	39.3	39.5	38.7	1.343	1.335	1.327
Apparel and other finished textile products.....	42.97	41.97	43.10	36.2	35.9	35.3	1.187	1.169	1.221
Chemicals and allied products.....	60.09	59.78	57.70	41.5	41.6	41.1	1.448	1.437	1.404
Food and kindred products.....	54.97	54.78	53.62	41.3	41.5	41.5	1.331	1.320	1.292
Leather and leather products.....	42.67	41.96	42.30	37.3	37.0	37.2	1.144	1.134	1.137
Paper and allied products.....	57.09	58.04	55.54	42.1	42.8	41.6	1.356	1.356	1.335
Printing, publishing, and allied industries.....	70.72	72.61	67.59	38.5	39.4	38.6	1.837	1.843	1.751
Products of petroleum and coal.....	72.68	71.48	73.29	40.2	39.8	41.2	1.808	1.796	1.779
Rubber products.....	59.75	59.38	56.89	38.9	39.3	37.9	1.536	1.511	1.501
Textile-mill products.....	47.04	47.64	44.89	39.2	39.8	37.5	1.200	1.197	1.197
Tobacco manufactures.....	39.67	38.89	35.69	38.6	38.2	36.2	1.025	1.018	.986

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

^pPreliminary.

TABLE 2: PRODUCTION-WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES, JANUARY, 1950

Source: Bureau of Labor Statistics

Industry Group ¹	Employment (In Thousands)			
	Jan., 1950 ^p	Dec., 1949	Nov., 1949	Jan., 1949
ALL MANUFACTURING	11,456	11,513	11,283_r	12,201
Durable goods	6,007	5,965	5,713 _r	6,640
Electrical machinery	553	556	546 _r	623
Fabricated metal products (exc. ord., mach. and trans. equip.)	695	688	666	767
Furniture and fixtures	289	289	283	284
Instruments and related products	171	173	174	190
Lumber and wood products (except furniture)	649	684	692 _r	667
Machinery (except electrical)	941	931	908	1,155
Ordinance and accessories	17.1	17.1	17.3	23.6
Primary metal industries	966	953	737 _r	1,090
Stone, clay, and glass products	403	413	411	436
Transportation equipment	977	898	898 _r	1,038
Nondurable goods	5,449	5,548	5,570 _r	5,561
Apparel and other finished textile products	1,039	1,045	1,030 _r	1,015
Chemicals and allied products	481	484	485	519
Food and kindred products	1,072	1,138	1,184 _r	1,097
Leather and leather products	348	344	332	354
Paper and allied products	384	390	393	398
Printing, publishing, and allied industries	496	502	499	500
Products of petroleum and coal	183	185	187	187
Rubber products	188	187	187 _r	201
Textile-mill products	1,174	1,187	1,184 _r	1,200
Tobacco manufactures	84	86	89	90

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.

rPreliminary.

manufacture of transportation equipment. Lumber was the only industry in the group to report a sizable decline, totaling 35,000 workers over the month. The production worker force in stone, clay and glass also

shrank in volume, though to a slighter degree, because of restrictive weather conditions.

ELIZABETH M. CASELLI
Statistical Division

"W.O.W. — It's Getting a Play"

War on waste! That's the rallying cry these days. With the return of more intensified competition, many companies are encouraging the cooperation of employees in stepped-up quality control programs.

The Mead Corporation is one firm which is focusing increased attention on its antiwaste campaign. At its Heald Division, Lynchburg, Va., the company house organ recently used a dramatic dream sequence to highlight its program. The leadoff story follows:

"It was a terrible dream!

"Down long aisles between whirling machines, men raced pushing big carts full of dollar bills. The green bills scattered on the floor.

"We bent down and tried to pick up some of the flying dollars. But before we could clutch them firmly in hand, other men came racing along with powerful hoses and washed them out of reach.

"We gave up trying to salvage dollars from the floor and began running after the men with the money-laden carts. Down the long aisles we ran, moving faster all the time.

"They turned a sharp corner, and the bills swept off like leaves in an autumn wind. They raced onto an endless loading platform.

"A long line of boxcars was gliding by. As quickly as

they could, the men with the carts unloaded the dollar bills into the passing cars.

"We tried to count them as they went by. One . . . ten . . . a hundred . . . a hundred and sixty-nine. . . .

"Miles of boxcars carrying off dollars!

"A terrible dream! No, it's just a rather fanciful way of picturing what actually occurs in the plant day after day. The carts are not laden with real dollar bills. They're full of waste."

Mead's Manistique Pulp and Paper Division has adopted a gremlin-like cartoon character named Willie Waste to dramatize its antiwaste campaign. House organ pictures of waste incidents in the plant show Willie Waste smiling happily on the spot. War on waste stories are built around the duel between employees and capricious Willie. A recent story found Willie lamenting, "I'm finding the pickings pretty tough. Guys go around looking for lights to turn off, water that's dripping when it shouldn't be, and everyone who uses oil and grease and rags and other supplies has been trying to cut down on the amount they use. That's why I say things don't look too good for me and probably will get worse if you fellows keep after me."

Briefs on Personnel Practices

Picking the Company Queen

Pittsburgh Plate Glass employees have selected a 21-year-old beauty from Los Angeles as the prettiest girl in the company. The contest was carried on through the employee publication, *Pittsburgh People*. Photographs of twelve regional candidates for the title "Miss Pittsburgh Plate of 1949" were published in the October issue of the magazine. Readers sent in their ballots—nearly five thousand of them—from all parts of the country and from abroad.

The queen received a loving cup and a set of traveling cases at a luncheon held in her honor. A similar contest was held the year before.

Learning by Doing

Underwriters, claims adjusters, statisticians, and engineers who participate in the college graduate training course of the Mutual Insurance Institute at Chicago get more than a series of classroom lectures in their own specialties. The claims adjusters, for example, get first-hand experience in the problems of estimating automobile damage through instruction at a trade school. Also they are taught medical terms and the structure of the human body so that injuries can be better understood. Training and actual experience in making investigations, recording statements of witnesses, and preparing reports are also given.

"Give Us More Company Information"

The recent first anniversary celebration of *Inside S.B.I.*, the employee publication of Standard Brands Incorporated, was considered a good time to poll readers on their likes and dislikes about the publication.¹

An analysis of replies indicates that, more than anything else, the employees want the paper to tell them more about their company. They like the kind of company information that is being supplied, but they want more of it. They are much less interested in hobbies and handicrafts, safety news and health hints.

The sampling was made of a cross section of workers in various plants, sales departments and offices throughout the country. Approximately 17% of all Standard Brands employees were heard from. Of those who replied, 80% said they read the paper

¹The story of how this publication was started a year ago was contained in "An Employee Newspaper Is Born," *The Management Record*, August, 1949, p. 351.

completely each month, and 70.5% said they took the paper home so their families could read it. Sixty-seven per cent said that the paper was giving them the kind of general company information they wanted.

Volunteer Management Study

It is somewhat common for business organizations to encourage their employees to continue their education after hours. The Baltimore and Ohio Railroad Company, for example, has been meeting the tuition charges for such study for many years. But it is uncommon for employees who participate in a voluntary educational program to form an association for the purpose of further self-development.

In 1945, a group of B. & O. employees who had studied together in evening courses at the University of Baltimore formed an administration personnel management study group. Currently, there are thirty-two members meeting monthly. Each member serves on at least one committee. The central purpose of the organization is to make studies of different company problems. Some of the areas studied to date include lunchroom facilities, wage incentives, sick leaves, suggestion systems, job evaluation, merit rating, and methods of improving working conditions. All research is done after office hours.

Upon completing its work, each committee reports to the full study group. The suggestions agreed to by the group are then submitted to management. Not a few have been accepted and incorporated into company practice. But the members of the study group are not discouraged if no action is taken, for they feel that their work provides splendid opportunities for self-development through actual training in leadership, research methods, cooperative thinking, and self-expression. The company has encouraged the study group in its activities, and company officers are often invited to speak at meetings of the organization.

"Why I Like My Husband's Job"

The wife of a Southern California Edison Company employee recently won first prize in a newspaper contest for the best letter on the subject, "Why I Like My Husband's Job." The company published the letter in its house organ.

Among the reasons cited by the winner for liking her husband's job were: the reliability of the company, the security of the job, regular salary increases, and opportunities for promotion.

Consumers' Prices Edge Up Slightly

FOR the month ending January 15, 1950, consumers' prices increased 0.1%, bringing the index up to 159.3. This compares with 162.9 for January, 1949.

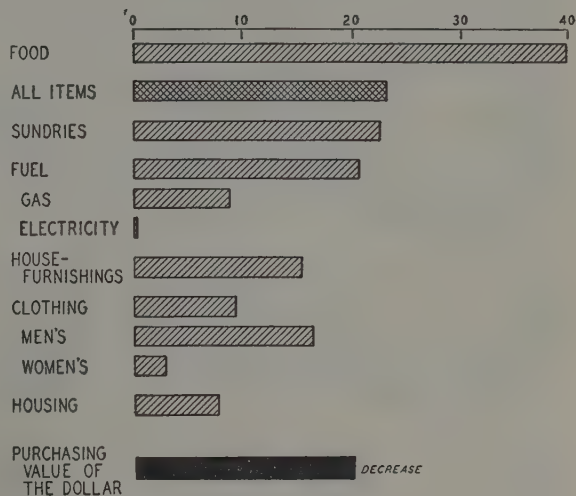
In seven of the 59 cities covered by the Consumers' Price Index, residential rents have been decontrolled. The National Industrial Conference Board's survey shows rent increases in these cities ranging from 11.9% in Omaha to 31.3% in Dallas over the past 12 months. Increases in the other decontrolled cities were: Milwaukee (29.9%); Chattanooga (28.8%); Houston (18.3%); Spokane (14.6%); and Green Bay (14.4%).

From January, 1949, to January, 1950, the average increase in the United States housing component for the cities still under control is 1.1%. Over this same period, the average increase for the decontrolled cities covered by our index was 23.9%.

For all 59 cities the October 15, 1949-January 15, 1950, housing costs rose 1.0%, the largest increases occurring in three of the decontrolled cities: Houston (13.5%), Omaha (11.9%) and Chattanooga (7.6%). Some 35 of the 59 cities showed no change.

Food prices as a whole showed no change from December. Prices of fresh fruits and vegetables rose

Increase in Consumers' Prices, January-June, 1946¹ to 1949²
Per cent change



¹Average of two quarterly indexes

²Average of twelve monthly indexes

CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, January, 1939=100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-Furnishings ³	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1948 Annual average.....	163.7	217.9	110.6	156.0	167.8	146.1	123.5	90.1	94.5	156.9	148.1	61.1
1949 January.....	162.9	211.3a	112.1	153.7	165.3	143.9	128.8	90.4	100.7	157.1	151.7	61.4
February.....	161.2	206.8	112.1	152.3	164.6	141.8	129.5	91.0	101.1	156.3	151.6	62.0
March.....	161.4	207.7	112.1	150.8	163.2	140.2	129.3	91.0	101.1	154.4	151.9	62.0
April.....	161.4	208.7b	112.3	148.7	161.9	137.7	127.9	91.0	101.3	153.1	151.9	62.0
May.....	161.6	208.2c	112.3	147.8	160.7	136.9	126.8	91.9	101.8	151.8	153.9	61.9
June.....	161.7	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.1	61.8
July.....	161.2	207.8d	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.1	62.0
August.....	161.3	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	154.3	62.0
September.....	161.9	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	154.6	61.8
October.....	160.2	204.0e	113.7r	144.0	156.5	133.3	128.8	92.3	101.9	147.4	154.5	62.4
November.....	160.2	204.0	113.7r	143.8	156.4	133.1	129.6r	92.6r	102.0	147.2	154.5	62.4
December.....	159.2	200.9r	113.7r	143.6	156.2	132.8r	130.1	92.6r	102.0	147.5	154.4	62.8
Annual average.....	161.2	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	153.5	62.0
1950 January.....	159.3	200.9f	114.8	143.3	156.2	132.3	130.6	92.6	101.9	147.6	154.1	62.8

Percentage Changes

Dec., 1949 to Jan., 1950...	+0.1	0	+1.0	-0.2	0	-0.4	+0.4	0	-0.1	+0.1	-0.2	0
Jan., 1949 to Jan., 1950...	-2.2	-4.9	+2.4	-6.8	-5.5	-8.1	+1.4	+2.4	+1.2	-6.0	+1.6	+2.3

^aRents surveyed quarterly, January 15, April 15,

July 15, October 15.

^bIncludes electricity and gas.

^cBased on food prices for Jan. 13, 1949.

^dBased on food prices for April 14, 1949.

^eBased on food prices for May 16, 1949.

^fBased on food prices for July 14, 1949.

^gBased on food prices for Oct. 13, 1949.

^hBased on food prices for Jan. 16, 1950.

^rRevised

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950		Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950
Akron						Chicago					
Food.....	206.1	205.5 ^r	218.8	+0.3	-5.8	Food.....	206.3	208.1	215.4 ^r	-0.9	-4.2
Housing ¹	123.8	123.8	122.0	0	+1.5	Housing ¹	123.4	120.5	120.5	+2.4	+2.4
Clothing.....	143.5	143.5	153.8	0	-6.7	Clothing.....	142.2	142.4	152.4	-0.1	-6.7
Fuel ²	159.5	157.9	155.8	+1.0	+2.4	Fuel ²	114.6	113.8	111.5	+0.7	-2.8
Housefurnishings.....	130.9	131.0	134.8	-0.1	-2.9	Housefurnishings.....	142.0	143.1	152.2	-0.8	-6.7
Sundries.....	153.1	153.8	152.8	-0.5	+0.2	Sundries.....	158.0	158.8	154.3	-0.5	+2.4
Weighted Total.....	162.1	162.0 ^r	166.5	+0.1	-2.6	Weighted Total.....	161.8	162.0	164.2	-0.1	-1.5
Atlanta						Cincinnati					
Food.....	198.0	196.9	215.8	+0.6	-8.2	Food.....	201.1	200.3	210.1 ^r	+0.4	-4.3
Housing ¹	113.5	113.5	110.5 ^r	0	+2.7	Housing ¹	115.4	115.2	112.2 ^r	+0.2	+2.9
Clothing.....	130.8	130.2	141.3	+0.5	-7.4	Clothing.....	155.5	156.4	165.4	-0.6	-6.0
Fuel ²	140.5	139.7	137.4	+0.6	+2.3	Fuel ²	147.2	145.8	136.0	+1.0	+8.2
Housefurnishings.....	147.6	147.0	151.7	+0.4	-2.7	Housefurnishings.....	148.4	148.0	148.9	+0.3	-0.3
Sundries.....	143.1	143.9	138.5	-0.6	+3.3	Sundries.....	153.2	153.9	152.0	-0.5	+0.8
Weighted Total.....	153.2	153.0	157.5	+0.1	-2.7	Weighted Total.....	162.0	161.9	164.6 ^r	+0.1	-1.6
Baltimore						Cleveland					
Food.....	203.1	204.2	212.2	-0.5	-4.3	Food.....	202.4	201.1	208.7 ^r	+0.6	-8.0
Housing ¹	112.3	110.1	110.1	+2.0	+2.0	Housing ¹	116.9	116.9	116.7	0	+0.2
Clothing.....	143.6	143.7	151.9	-0.1	-5.5	Clothing.....	150.8	151.0	164.1	-0.1	-8.1
Fuel ²	150.3	151.2	148.3 ^r	-0.6	+1.3	Fuel ²	140.2	138.1	135.8	+1.5	+3.2
Housefurnishings.....	164.2	164.2	170.0	0	-3.4	Housefurnishings.....	155.3	155.7	162.8	-0.3	-4.6
Sundries.....	144.9	145.2	143.3	-0.2	+1.1	Sundries.....	151.6	152.3	150.9	-0.5	+0.5
Weighted Total.....	160.4	160.5	163.7 ^r	-0.1	-2.0	Weighted Total.....	160.1	159.8	163.3 ^r	+0.2	-2.0
Birmingham						Dallas					
Food.....	201.2	204.1 ^r	214.9	-1.4	-6.4	Food.....	207.5	208.5	217.8	-0.5	-4.7
Housing ¹	121.6	121.6	121.5	0	+0.1	Housing ¹	158.1	150.6	120.4	+5.0	+31.3
Clothing.....	146.3	146.9 ^r	155.6	-0.4	-6.0	Clothing.....	146.0	146.3 ^r	156.4	-0.2	-6.6
Fuel ²	127.9	127.9	126.4	0	+1.2	Fuel ²	89.1	89.1	89.1	0	0
Housefurnishings.....	146.7	146.9	156.1	-0.1	-6.0	Housefurnishings.....	146.1	145.4	153.5	+0.5	-4.8
Sundries.....	140.6	140.7	136.2	-0.1	+3.2	Sundries.....	152.9	153.0	146.3	-0.1	+4.5
Weighted Total.....	155.3	156.2	159.3	-0.6	-2.5	Weighted Total.....	163.5	162.4	158.9	+0.7	+2.9
Boston						Dayton					
Food.....	188.5	190.6	198.7 ^r	-1.1	-5.1	Food.....	195.2	196.1 ^r	200.7	-0.5	-2.7
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	117.5	117.5	117.5	0	0
Clothing.....	139.1	139.2	146.7	-0.1	-5.2	Clothing.....	138.3	138.3	149.3	0	-7.4
Fuel ²	158.6	158.6	159.5 ^r	0	-0.6	Fuel ²	142.8	142.6	141.9	+0.1	+0.6
Housefurnishings.....	154.0	153.6	162.3	+0.3	-5.1	Housefurnishings.....	152.2	152.5	163.7	-0.2	-7.0
Sundries.....	150.7	151.1	146.0	-0.3	+3.2	Sundries.....	143.3	143.4	140.5	-0.1	+2.0
Weighted Total.....	157.0	157.8	160.3 ^r	-0.5	-2.1	Weighted Total.....	154.5	154.8 ^r	157.3	-0.2	-1.8
Bridgeport						Denver					
Food.....	193.0	195.2	203.8 ^r	-1.1	-5.3	Food.....	202.0	202.9	216.2	-0.4	-6.6
Housing ¹	107.3	107.2	107.1	+0.1	+0.2	Housing ¹	113.4	113.4	113.4	0	0
Clothing.....	138.8	138.6 ^r	148.6	+0.1	-6.6	Clothing.....	151.8	151.8	156.4	0	-2.9
Fuel ²	149.2	149.2	152.1 ^r	0	-1.9	Fuel ²	105.5	105.4	105.2	+0.1	+0.3
Housefurnishings.....	143.7	144.2	155.4	-0.3	-7.5	Housefurnishings.....	140.0	139.5	153.4	+0.4	+8.7
Sundries.....	170.2	170.6	168.9	-0.2	+0.8	Sundries.....	147.3	147.4	146.1	-0.1	+0.8
Weighted Total.....	159.9	160.6	164.6 ^r	-0.4	-2.9	Weighted Total.....	155.7	156.0	160.7	-0.2	-3.1
Buffalo						Des Moines					
Food.....	218.9	218.7	222.9	+0.1	-1.8	Food.....	200.3	200.7 ^r	206.3	-0.2	-2.9
Housing ¹	121.5	121.1	117.8 ^r	+0.3	+3.1	Housing ¹	109.9	109.9	107.7	0	+2.0
Clothing.....	142.2	142.3	150.2	-0.1	-5.3	Clothing.....	153.2	153.5	163.4	-0.2	-6.2
Fuel ²	145.9	144.7	144.5	+0.8	+1.0	Fuel ²	153.4	152.5	150.5 ^r	+0.6	+1.9
Housefurnishings.....	145.2	145.0	156.3	+0.1	-7.4	Housefurnishings.....	148.7	147.8	160.4	+0.6	-7.3
Sundries.....	154.4	154.7	149.2	-0.2	+3.5	Sundries.....	149.2	149.3	145.6	-0.1	+2.5
Weighted Total.....	166.0	165.9	166.5 ^r	+0.1	-0.3	Weighted Total.....	157.1	157.1 ^r	158.5 ^r	0	-0.9
Chattanooga						Detroit					
Food.....	200.6	203.6	215.8	-1.5	-7.0	Food.....	205.0	205.2 ^r	210.1	-0.1	-2.4
Housing ¹	133.6	124.2	103.7	+7.6	+28.8	Housing ¹	115.0	114.8	114.5	+0.2	+0.4
Clothing.....	130.7	130.7	149.0	0	-12.3	Clothing.....	141.6	142.2	151.8	-0.4	-6.7
Fuel ²	137.3	134.7	133.0	+1.9	+3.2	Fuel ²	149.4	148.4	148.3	+0.7	+0.7
Housefurnishings.....	109.3	107.2	139.1	+2.0	-21.4	Housefurnishings.....	150.9	150.1	163.0	+0.5	-7.4
Sundries.....	141.2	141.5	138.9	-0.2	+1.7	Sundries.....	164.9	165.2	162.4	-0.2	+1.5
Weighted Total.....	154.9	154.2	157.1	+0.5	-1.4	Weighted Total.....	162.6	162.7 ^r	164.9	-0.1	-1.4

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950		Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950
Duluth						Kansas City, Mo.					
Food.....	199.4	197.4	207.1	+1.0	-8.7	Food.....	186.8	186.4	196.6	+0.2	-5.0
Housing ¹	112.9	112.9	109.8	0	+2.8	Housing ¹	110.7	110.7 ^r	109.6	0	+1.0
Clothing.....	153.0	153.6	162.2	-0.4	-5.7	Clothing.....	149.6	149.6	158.7	0	-5.7
Fuel ²	149.6	149.3	151.0	+0.2	-0.9	Fuel ²	121.1	119.8	121.4	+1.1	-0.2
Housefurnishings.....	156.5	156.5	172.4	0	-9.2	Housefurnishings.....	138.5	138.5	147.2	0	-5.9
Sundries.....	147.8	147.9	144.7	-0.1	+2.1	Sundries.....	152.5	152.6	152.5	-0.1	0
Weighted Total.....	160.9	160.3	163.9	+0.4	-1.8	Weighted Total....	152.4	152.2	156.5	+0.1	-2.6
Erie, Pa.						Lansing					
Food.....	215.2	213.0 ^r	222.7	+1.0	-3.4	Food.....	208.0	208.9 ^r	224.8	-0.4	-7.5
Housing ¹	124.0	123.2	123.2	+0.6	+0.6	Housing ¹	110.8	109.1	102.6	+1.6	+8.0
Clothing.....	167.0	167.0	171.7	0	-2.7	Clothing.....	142.4	143.5 ^r	156.6	-0.8	-9.1
Fuel ²	153.7	153.7	155.4	0	-1.1	Fuel ²	141.8	141.0	136.0	+0.6	+4.3
Housefurnishings.....	146.8	146.2 ^r	155.7	+0.4	-5.7	Housefurnishings.....	153.8	152.8 ^r	163.8	+0.7	-6.1
Sundries.....	162.4	162.6	157.4	-0.1	+3.2	Sundries.....	157.8	157.9 ^r	156.7	-0.1	+0.7
Weighted Total.....	171.2	170.4	173.0	+0.5	-1.0	Weighted Total....	158.9	158.9	163.3	0	-2.7
Fall River						Los Angeles					
Food.....	188.4	189.4	199.5	-0.5	-5.6	Food.....	201.0	198.4	218.9	+1.3	-8.2
Housing ¹	106.9	106.9	106.9	0	0	Housing ¹	113.1	111.9	111.9	+1.1	+1.1
Clothing.....	152.8	154.3	167.0 ^r	-1.3	-8.5	Clothing.....	138.9	139.0	144.9	-0.1	-4.1
Fuel ²	144.5	144.6	150.3	-0.1	-3.9	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	128.8	128.4	139.5	+0.3	-7.7	Housefurnishings.....	139.0	138.3	145.0	+0.5	-4.1
Sundries.....	154.6	154.9	151.8	-0.2	+1.8	Sundries.....	150.7	151.0	144.9	-0.2	+4.0
Weighted Total.....	156.2	156.8	161.3	-0.4	-3.2	Weighted Total....	154.7	153.8	158.8	+0.6	-2.6
Grand Rapids						Louisville					
Food.....	195.8	197.4 ^r	209.7	-0.8	-6.6	Food.....	205.4	206.3 ^r	217.8	-0.4	-5.7
Housing ¹	125.7	118.8	115.5 ^r	+5.8	+8.8	Housing ¹	107.1	107.1	107.1	0	0
Clothing.....	136.6	137.0	143.6	-0.3	-8.1	Clothing.....	138.8	139.8	151.6	-0.7	-8.4
Fuel ²	158.0	155.1	154.4 ^r	+1.9	+2.3	Fuel ²	161.1	157.8	156.1	+2.1	+3.2
Housefurnishings.....	155.3	155.3	169.3	0	-8.5	Housefurnishings.....	154.1	153.3	163.3	+0.5	-5.6
Sundries.....	157.1	157.6	155.3	-0.3	+1.2	Sundries.....	161.4	162.2 ^r	161.4	-0.5	0
Weighted Total.....	160.8	160.0 ^r	164.3 ^r	+0.5	-2.1	Weighted Total....	164.6	165.0 ^r	170.3	-0.2	-3.3
Green Bay, Wis.						Macon					
Food.....	205.0	205.6	197.3	-0.3	+3.9	Food.....	194.4	194.8	210.1	-0.2	-7.5
Housing ¹	131.8	131.8 ^r	115.2	0	+14.4	Housing ¹	123.7	123.7	123.2	0	+0.4
Clothing.....	161.4	152.6	165.3	-0.8	-8.7	Clothing.....	149.2	149.3 ^r	157.7	-0.1	-5.4
Fuel ²	144.1	143.0	140.6 ^r	+0.8	+2.5	Fuel ²	126.7	124.4	121.0	+1.8	+4.7
Housefurnishings.....	134.8	133.9	158.4 ^r	+0.7	-14.9	Housefurnishings.....	140.7	141.1	154.1	-0.3	-8.7
Sundries.....	148.7	148.9	145.0	-0.1	+2.6	Sundries.....	149.1	149.4	139.1	-0.2	+7.2
Weighted Total.....	161.4	161.6 ^r	158.3 ^r	-0.1	+2.0	Weighted Total....	158.7	158.8	161.0	-0.1	-1.4
Houston						Memphis					
Food.....	209.6	211.0	218.5	-0.7	-4.1	Food.....	212.5	213.8	222.6	-0.6	-4.5
Housing ¹	131.4	115.8	111.1	+13.5	+18.3	Housing ¹	114.4	114.4	114.0	0	+0.4
Clothing.....	141.4	142.0 ^r	154.2	-0.4	-8.3	Clothing.....	150.0	148.7	159.6	+0.9	-6.0
Fuel ²	81.8	81.8	81.8	0	0	Fuel ²	117.9	117.9	117.9	0	0
Housefurnishings.....	129.2	129.9	143.4 ^r	-0.5	-9.9	Housefurnishings.....	146.8	145.4	154.5	+1.0	-5.0
Sundries.....	149.7	149.9	146.0	-0.1	+2.5	Sundries.....	136.9	136.9	132.1	0	+3.6
Weighted Total.....	157.4	155.5	157.7 ^r	+1.2	-0.2	Weighted Total....	154.8	154.9	157.6	-0.1	-1.8
Huntington, W. Va.						Milwaukee					
Food.....	188.1	190.6	200.2	-1.3	-6.0	Food.....	199.0	198.3	212.6	+0.4	-6.4
Housing ¹	117.0	111.7	111.7	+4.7	+4.7	Housing ¹	146.1	138.2	112.5	+5.7	+29.9
Clothing.....	138.1	139.6	151.5	-1.1	-8.8	Clothing.....	154.7	154.8	163.8	-0.1	-5.6
Fuel ²	100.0	100.0	100.0	0	0	Fuel ²	138.7	135.8	134.2 ^r	+2.1	+3.4
Housefurnishings.....	141.6	141.7	162.0	-0.1	-12.6	Housefurnishings.....	158.3	158.3	170.9	0	-7.4
Sundries.....	155.2	155.3	148.6	-0.1	+4.4	Sundries.....	158.4	158.6	155.9	-0.1	+1.6
Weighted Total.....	154.8	155.1	158.3	-0.2	-2.2	Weighted Total....	166.1	164.1	163.9 ^r	+1.2	+1.3
Indianapolis						Minneapolis					
Food.....	207.2	209.2 ^r	216.5	-1.0	-4.3	Food.....	217.0	217.3 ^r	223.4	-0.1	-2.9
Housing ¹	121.0	119.4	119.4 ^r	+1.3	+1.3	Housing ¹	109.6	109.6	108.8	0	+0.7
Clothing.....	140.5	140.8	149.3	-0.2	-5.9	Clothing.....	149.8	149.9	159.4	-0.1	-6.0
Fuel ²	158.8	157.7	150.9	+0.7	+5.2	Fuel ²	140.4	139.8 ^r	138.4 ^r	+0.4	+1.4
Housefurnishings.....	146.4	145.3	152.9	+0.8	-4.3	Housefurnishings.....	152.0	151.7	168.6	+0.2	-9.8
Sundries.....	156.1	156.3	155.4	-0.1	+0.5	Sundries.....	159.5	159.7	164.3 ^r	-0.1	+3.4
Weighted Total.....	163.1	163.4 ^r	166.1 ^r	-0.2	-1.8	Weighted Total....	164.9	165.0 ^r	166.8 ^r	-0.1	-1.1

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

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CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950		Jan. 1950	Dec. 1949	Jan. 1949	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950
Muskegon						Portland, Ore.					
Food.....	234.1	235.4 _r	247.2	-0.6	-5.3	Food.....	210.6	208.1	224.0	+1.2	-6.0
Housing ¹	115.4	115.4	115.4	0	0	Housing ¹	122.8	122.8	122.8	0	0
Clothing.....	138.1	138.8	143.9	-0.5	-7.3	Clothing.....	165.7	165.0	174.0 _r	+0.4	-4.8
Fuel ²	162.6	162.6	162.3 _r	0	+0.2	Fuel ²	139.9	139.9	130.0	0	+7.6
Housefurnishings.....	114.4	114.8 _r	135.7	-0.3	-15.7	Housefurnishings.....	134.9	134.9	145.6 _r	0	-7.3
Sundries.....	147.3	147.4	143.2	-0.1	+2.9	Sundries.....	140.4	140.5	138.6 _r	-0.1	+1.3
Weighted Total.....	164.3	164.9 _r	169.2 _r	-0.4	-2.9	Weighted Total.....	161.3	160.5	165.5 _r	+0.5	-2.5
Newark						Providence					
Food.....	200.2	199.8	212.1	+0.2	-5.6	Food.....	202.6	203.9 _r	212.3	-0.6	-4.6
Housing ¹	106.4	106.2	105.7	+0.2	+0.7	Housing ¹	106.2	106.2	106.2	0	0
Clothing.....	135.7	135.9	144.0	-0.1	-5.8	Clothing.....	152.4	153.2 _r	156.8	-0.5	-2.8
Fuel ²	117.2	117.2	117.1	0	+0.1	Fuel ²	144.0	144.0	148.8	0	-3.2
Housefurnishings.....	167.2	165.3	173.5 _r	+1.1	-2.6	Housefurnishings.....	131.7	131.3	141.5	+0.3	-6.9
Sundries.....	145.4	145.6	140.5	-0.1	+3.5	Sundries.....	145.7	145.9	148.0	-0.1	-1.6
Weighted Total.....	156.5	156.3	160.3 _r	+0.1	-2.4	Weighted Total.....	156.5	157.0	161.4	-0.3	-3.0
New Haven						Richmond					
Food.....	192.6	194.0	205.6	-0.7	-6.3	Food.....	223.5	226.0	238.9	-1.1	-6.4
Housing ¹	106.6	106.6	105.7	0	+0.9	Housing ¹	116.2	116.2	116.2	0	0
Clothing.....	150.1	151.2	161.8	-0.7	-7.2	Clothing.....	148.5	149.6	160.3	-0.7	-7.4
Fuel ²	140.3	140.2	142.3	+0.1	-1.4	Fuel ²	139.8	139.6	130.3	+0.1	+7.3
Housefurnishings.....	141.5	142.3	152.9	-0.6	-7.5	Housefurnishings.....	151.2	151.2	162.2	0	-6.8
Sundries.....	128.5	128.7	127.1	-0.2	+1.1	Sundries.....	136.0	136.4	133.6	-0.3	+1.8
Weighted Total.....	148.8	149.4	154.0	-0.4	-3.4	Weighted Total.....	160.4	161.3	165.2	-0.6	-2.9
New Orleans						Roanoke, Va.					
Food.....	209.3	211.5	212.0	-1.0	-1.3	Food.....	198.5	202.8	213.3 _r	-2.1	-6.9
Housing ¹	119.2	119.2	119.4	0	-0.2	Housing ¹	140.6	140.6	139.6	0	+0.7
Clothing.....	149.2	149.3	158.5	-0.1	-5.9	Clothing.....	161.6	162.0	170.0	-0.2	-4.9
Fuel ²	90.6	90.8	91.4	-0.2	-0.9	Fuel ²	156.6	155.6	152.8	+0.6	+2.5
Housefurnishings.....	156.9	159.1	163.2	-1.4	-3.9	Housefurnishings.....	150.4	150.3 _r	160.0 _r	+0.1	-6.0
Sundries.....	139.6	139.9	139.6	-0.2	0	Sundries.....	149.9	149.8	146.4	+0.4	+2.4
Weighted Total.....	161.7	162.7	164.1	-0.6	-1.5	Weighted Total.....	164.4	165.6 _r	168.4	-0.7	-2.4
New York						Rochester					
Food.....	193.2	192.2	203.7 _r	+0.5	-5.2	Food.....	207.1	207.5 _r	217.9	-0.2	-5.0
Housing ¹	104.6	104.6 _r	104.4	0	+0.2	Housing ¹	119.3	116.7	116.7	+2.2	+2.2
Clothing.....	142.9	143.3	154.1	-0.3	-7.3	Clothing.....	145.1	146.4	159.7	-0.9	-9.1
Fuel ²	130.0	130.0	129.0 _r	0	+0.8	Fuel ²	162.1	162.1	157.4	0	+3.0
Housefurnishings.....	150.2	150.2	157.7	0	-4.8	Housefurnishings.....	177.1	177.1	182.4 _r	0	-2.9
Sundries.....	160.4	160.7	160.5	-0.2	-0.1	Sundries.....	157.6	157.9	154.5	-0.2	+2.0
Weighted Total.....	156.7	156.4	161.8 _r	+0.2	-3.2	Weighted Total.....	163.8	163.5	166.9 _r	+0.2	-1.9
Omaha						Rockford, Ill.					
Food.....	219.8	221.4 _r	232.3	-0.7	-5.4	Food.....	220.6	218.7 _r	226.6	+0.9	-2.6
Housing ¹	124.6	111.3	111.3	+11.9	+11.9	Housing ¹	149.4	148.4	145.4	+0.7	+2.8
Clothing.....	142.7	142.8 _r	153.4	-0.1	-7.0	Clothing.....	141.3	142.1	156.4	-0.6	-9.7
Fuel ²	132.5	132.1	133.1	+0.3	-0.5	Fuel ²	149.9	146.2	146.4	+2.5	+2.4
Housefurnishings.....	163.5	163.5	176.7	0	-7.5	Housefurnishings.....	146.4	146.1	163.5	+0.2	-10.5
Sundries.....	151.2	151.4	148.3	-0.1	+2.0	Sundries.....	153.1	153.1	149.7	0	+2.3
Weighted Total.....	164.6	163.0	166.8	+1.0	-1.3	Weighted Total.....	171.2	170.1 _r	173.4	+0.6	-1.3
Philadelphia						Sacramento					
Food.....	185.7	187.5	195.8	-1.0	-5.2	Food.....	206.4	203.8 _r	221.6	+1.3	-6.9
Housing ¹	110.5	110.5	110.4	0	+0.1	Housing ¹	115.5	115.5	115.3	0	+0.2
Clothing.....	139.1	139.1	145.5	0	-8.5	Clothing.....	161.6	162.3	171.1	-0.4	-5.6
Fuel ²	147.2	147.2 _r	144.5	0	+1.9	Fuel ²	76.2	76.2	74.7	0	+2.0
Housefurnishings.....	147.7	146.1	151.3	+1.1	-2.4	Housefurnishings.....	157.4	158.3	177.0	-0.6	-11.1
Sundries.....	152.4	152.7	149.8	-0.2	+1.7	Sundries.....	151.3	151.4	146.9	-0.1	+3.0
Weighted Total.....	154.9	155.6	159.2	-0.4	-2.7	Weighted Total.....	159.0	158.4	164.0	+0.4	-3.0
Pittsburgh						St. Louis					
Food.....	199.0	199.0	207.8	0	-4.2	Food.....	200.8	200.3	210.0	+0.2	-4.4
Housing ¹	118.6	118.6	118.6 _r	0	0	Housing ¹	116.6	116.4	113.0	+0.2	+3.2
Clothing.....	141.7	142.4 _r	150.8 _r	-0.5	-6.0	Clothing.....	138.3	138.6	148.7	-0.2	-7.0
Fuel ²	135.1	135.1	137.0	0	-1.4	Fuel ²	147.9	145.2	146.3 _r	+1.9	+1.1
Housefurnishings.....	137.4	136.8	146.5	+0.4	-6.2	Housefurnishings.....	131.0	131.0	159.3	0	-17.8
Sundries.....	151.4	151.8	150.2	-0.3	+0.8	Sundries.....	140.0	140.1	137.6	-0.1	+1.7
Weighted Total.....	157.9	158.0	162.0 _r	-0.1	-2.5	Weighted Total.....	156.1	155.8	160.2 _r	+0.2	-2.6

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St. Paul						Syracuse					
Food.....	210.8	210.0 _r	220.3 _r	+0.4	-4.3	Food.....	200.9	200.8	209.7 _r	a	-4.2
Housing ¹	108.2	108.2	107.7	0	+0.5	Housing ¹	124.5	116.7	116.7	+6.7	+6.7
Clothing.....	139.3	139.5 _r	149.3 _r	-0.1	-6.7	Clothing.....	144.6	144.7	153.6	-0.1	-5.9
Fuel ²	139.0	137.2 _r	141.1 _r	+1.3	-1.5	Fuel ²	149.6	150.4	150.9	-0.5	-0.9
Housefurnishings.....	156.0	156.0	171.6	0	-9.1	Housefurnishings.....	156.0	155.7	163.2	+0.2	-4.4
Sundries.....	154.2	154.4	149.8	-0.1	+2.9	Sundries.....	143.0	143.4	140.8	-0.3	+1.6
Weighted Total.....	160.3	160.0	163.7 _r	+0.2	-2.1	Weighted Total.....	157.4	156.0	159.1	+0.9	-1.1
San Francisco-Oakland..						Toledo					
Food.....	217.8	214.4	232.1	+1.6	-6.2	Food.....	200.9	201.1	213.1	-0.1	-5.7
Housing ¹	102.7	102.7	102.7	0	0	Housing ¹	126.5	126.5	120.8	0	+4.7
Clothing.....	146.2	146.5	159.5	-0.2	-8.3	Clothing.....	142.0	144.5 _r	157.4	-1.7	-9.8
Fuel ²	93.6	93.6	91.2	0	+2.6	Fuel ²	148.6	147.7	147.1	+0.6	+1.0
Housefurnishings.....	143.6	143.6	154.8	0	-7.2	Housefurnishings.....	141.4	142.1	148.9	-0.5	-5.0
Sundries.....	156.8	157.0	153.5	-0.1	+2.1	Sundries.....	156.8	157.4	155.5	-0.4	+0.8
Weighted Total.....	163.1	162.1	168.5	+0.6	-3.2	Weighted Total.....	162.1	162.5 _r	166.3	-0.2	-2.5
Seattle						Wilmington, Del.					
Food.....	202.6	198.7	216.5	+2.0	-6.4	Food.....	182.7	183.7 _r	194.8 _r	-0.5	-6.2
Housing ¹	120.0	120.0	115.9	0	+3.5	Housing ¹	125.8	125.8	121.6	0	+3.5
Clothing.....	133.5	134.0	145.2 _r	-0.4	-8.1	Clothing.....	149.5	150.0	166.2 _r	-0.3	-10.0
Fuel ²	136.0	136.0	136.1 _r	0	-0.1	Fuel ²	130.6	130.6	130.9	0	-0.2
Housefurnishings.....	157.3	158.4	168.8 _r	-0.7	-6.8	Housefurnishings.....	143.1	143.8	172.1	-0.5	-16.9
Sundries.....	147.2	147.3	143.2	-0.1	+2.8	Sundries.....	140.2	140.6	133.0	-0.3	+5.4
Weighted Total.....	158.8	157.7	162.9 _r	+0.7	-2.5	Weighted Total.....	153.5	154.0	158.8	-0.3	-3.3
Spokane						Youngstown					
Food.....	200.9	197.6	213.5	+1.7	-5.9	Food.....	201.7	202.8	215.1	-0.5	-6.2
Housing ¹	127.0	125.0 _r	110.8	+1.6	+14.6	Housing ¹	107.1	106.8	106.8	+0.3	+0.3
Clothing.....	127.7	127.7	144.5	0	-11.6	Clothing.....	158.1	159.9 _r	169.4	-1.1	-6.7
Fuel ²	149.5	149.3	148.0	+0.1	+1.0	Fuel ²	141.4	141.4	140.6 _r	0	+0.6
Housefurnishings.....	136.6	136.3 _r	150.9	+0.2	-9.5	Housefurnishings.....	146.9	146.0	159.7 _r	+0.6	-8.0
Sundries.....	148.1	148.2	142.6	-0.1	+3.9	Sundries.....	142.6	143.1	142.2	-0.3	+0.3
Weighted Total.....	159.7	158.4 _r	161.3	+0.8	-1.0	Weighted Total.....	155.8	156.4	161.7	-0.4	-3.6

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

_rRevised

aLess than 0.1%

PERCENTAGE CHANGES IN INDEXES FOR THREE CITIES

	Weighted Total		Food		Housing ¹		Clothing		Fuel and Light		Housefurnishings		Sundries	
	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950	Dec. 1949 to Jan. 1950	Jan. 1949 to Jan. 1950
Evansville, Ind.....	-0.7	-1.7	-1.4	-4.9	0	+0.8	-0.9	-8.4	0	+0.5	-0.7	-6.6	-0.1	+4.9
Joliet, Ill ²	-0.2	-1.7	-0.8	-4.7	0	+3.6	-0.1	-5.8	+1.2	+1.7	+0.5	-9.5	-0.1	+2.6
Trenton, N. J.....	-0.4	-2.6	-0.9	-5.5	0	+0.9	0	-6.7	0	+1.3	-0.8	-7.8	-0.1	+2.9

¹Rents surveyed quarterly January 15, April 15, July 15, October 15.

²Includes Lockport and Rockdale.

in January as is customary for this time of year. The greatest increases were in beans, spinach, lettuce and apples. Other increases were in cabbage, oranges, sweet potatoes, pork chops and veal cutlets. Coffee is still rising but very slightly. The price of eggs dipped sharply and chicken quotations followed suit. Other major decreases were in salt pork, vegetable lard substitute, bacon and canned peaches. Decreases were also recorded in round steak, oleomargarine, carrots, onions and navy beans. Notwithstanding the current stability, food prices have dropped 4.9% since last January.

Continuing the trend established in the fall of 1948

and carried through 1949, clothing prices slipped just slightly from the December level (0.2%) so that the combined index is now 143.3, reflecting a decrease of 6.8% over the year. In January, women's clothing declined 0.4% as a result of decreases in winter coats and nylon hose. Men's clothing remained stationary, increases in wool suits being offset by decreases in overcoats and shirts. Housefurnishings prices rose 0.1% in December, 1949-January, 1950, as the result of scattered changes in the items priced. Increases in dining room sets and rugs were partially offset by a decrease in gas ranges. From January, 1949, to January, 1950, housefurnishings decreased 6.0%. This

reflects the steady decrease of the first eleven months in 1949.

FUEL INDEX UP

The fuel index edged upward for the sixth consecutive month (+0.4%). Higher prices were reported for bituminous coal resulting from the supply shortage. This rise was partially offset by the decrease in the price of heating gas.

Decreases in cleaning materials prices helped the sundries index drop 0.2%. The prices of both drugs

and tobacco remained the same as last month.

Since the end of price stabilization (1946) THE CONFERENCE BOARD Consumers' Price Index shows an over-all increase of 23%. From the first half of 1946 to 1949 food rose 39.7%, sundries 22.3%, fuel 20.5%, housefurnishings 15.3%, clothing 9.3% and housing 7.6%. The purchasing value of the dollar decreased 20% or 15.5 cents.

SHIRLEY FASS
Statistical Division

Increases Off to Fast Start in '50

OVER one half of the seventy-one contract settlements reviewed by THE CONFERENCE BOARD from mid-January to mid-February called for wage increases of from two to nineteen cents an hour. Of these forty-five agreements, more than one third also provided new or improved pension, social insurance, holiday or vacation benefits. Twenty-five contracts provided for fringe items only and one was renewed without any change.

SEVERAL IMPORTANT INCREASES

One of the important increase settlements during this time was negotiated in New York City by the Third Avenue Transit System and the CIO Transport Workers Union. About 3,800 workers will benefit by an increase of six cents an hour which is retroactive to July 1, 1949. Starting this April, gradual payment of \$1,100,000 back pay will be given at the rate of twenty dollars a month to each man. The transport workers are now entitled to three weeks' vacation after ten years' service.

Several increases were negotiated in the food industry. Seven cents an hour was agreed to by 2,300 AFL Cannery and Pickle Workers employed by the H. J. Heinz Company. About 4,000 vegetable shed workers were given raises of seven and a half cents an hour by fifty-five packing firms in California's Imperial, Yuma and San Joaquin Valleys. The CIO United Packinghouse Workers and the National Sugar Refining Company negotiated a contract providing for both an increase of five cents an hour and surgical benefits for employees and their husbands or wives.

Though there were twice as many contracts providing increases, about 21,000 workers benefited by pay raises, as compared with approximately 122,000 workers who received employee benefits only.

Several companies that have added or enlarged their pension and/or social insurance programs are the International Harvester's Wisconsin Steel Works, Westinghouse Air Brake and Union Switch and Signal

Companies, the Brewers Board of Trade in New York City, Goodyear Tire and Rubber Company and the Kroger Company.

Twenty-five thousand laundry workers in Greater New York, Westchester and Long Island benefited by a broadened health plan, a noncontributory pension plan and a guaranteed annual wage. The women are to receive a minimum weekly wage despite the number of hours they work. The men, who comprise about 40% of the industry's workers are guaranteed forty hours of work a week.

NO CHANGE

The one agreement providing no change affects 1,500 CIO Mine, Mill and Smelter Workers employed by the United States Potash Company, the Potash Company of America and the International Minerals and Chemical Corporation in Carlsbad, New Mexico.

A listing of wage adjustments, the majority of which have been verified by company reports, begins on page 119. The settlements are classified in these groupings: wage increases, settlements for fringe benefits only and no change in the wage structure.

DORIS K. LIPPMAN
Statistical Division

School Days for Drivers

A two-day course that includes classroom instruction and field trials helps to teach Consolidated Edison Company (N. Y.) drivers the principles of safe driving. The course stresses three points: safe driving, efficient and careful handling of company automotive equipment, and the driver's role in public relations.

In addition to the education and training classes, the men are given two tests: one for vision and the other to show their reactions to driving pressures.

Wage Settlement Announcements—Jan. 15 to Feb. 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure

Note: Adjustments verified by company unless otherwise specified

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products</i>							
Allied Chemical and Dye Corporation General Chemical Division East St. Louis, Mo.	WE	\$.05 hr.	11-1-49	n.a.	n.a.	n.a.	(Int. Chemical Workers, AFL)
Gossan Mines.....	WE	\$.03 hr.	12-10-49	146	n.a.	n.a.	(United Construction Workers, UMW)
Archer-Daniels Midland Company... Kenedy, Tex.	WE	\$.05 hr.	10-10-49	42	\$.70 to \$1.60 hr.	10-11-48	(Int. Chemical Workers, AFL)
Miles Laboratories, Incorporated.... South Bend, Ind.	WE	\$.03 hr.	11-14-49	650	n.a.	n.a.	Hospital, surgical and indemnity insurance benefits increased at no additional cost to employee. Contract to expire September, 1951. (UMW, Dist. 50)
Philadelphia Quarts Company..... Utica, Ill.	WE	\$.05 hr.	8-24-49	28	\$1.23 hr. average	8-25-48	(Int. Chemical Workers, AFL)
Shawinigan Resins Corporation..... Springfield, Mass.	WE	\$.05 hr.	1-1-50	168	\$1.475 hr. average	6-1-48	(United Chemical Workers, CIO)
Swift and Company..... East Point, Ga.	WE	\$.03 hr.	10-24-49	80	\$.75 hr.	1-9-48	Also: four paid holidays; liberalized vacations. (Int. Chemical Workers, AFL)
Cairo, Ill.	WE	\$.05 hr.	8-26-49	approx. 90	\$.87 hr.	7-1-48	(United Gas, Coke & Chemical Workers, CIO)
Virginia-Carolina Chemical Corpora- tion Augusta, Ga.	WE	\$.05 hr. across-the -board	11-7-49	approx. 50	\$.70 hr. laborers	8-7-48	Two additional paid holidays making a total of six. (Int. Chemical Workers, AFL)
<i>Food and Allied Products</i>							
*Greater New York and Northern New Jersey Milk Dealers Ass'n	S	\$5.50 wk.	1-31-50	130	n.a.	n.a.	Increase retroactive to 1-1-50. Two-year contract provides an additional \$1 increase next Jan. 1. (Int. Union Operating Engineers, AFL)
Griggs, Cooper and Company..... St. Paul, Minn.	WE	\$.10 hr.	10-1-49	12	\$1.58 hr.	10-1-48	(Int. Ass'n Machinists, Ind.)
*H. J. Heinz Co..... Pittsburgh, Pa.	WE	\$.07 hr.	2-9-50	2,300	n.a.	n.a.	Contract retroactive to 12-15-49; expires 3-31-51. (Canning & Pickle Workers Union, AFL)
Kraft Foods Company..... Minneapolis, Minn.	WE	\$.075 hr.	11-1-49	4	\$1.23 to \$1.70 hr.	11-1-48	Double time and one half for holidays worked; previously double time. (Int. Ass'n Machinists, Ind.)
National Sugar Refining Company.. Long Island City, N. Y.	WE	\$.05 hr.	1-1-50	1,150	\$1.29 hr.	10-1-48	Increase retroactive to 10-1-49. Contract expires 12-31-50. Surgical benefits covering husband and wife. (United Packinghouse Workers, CIO)
Swift and Company..... Centerville, Ia.	WE	\$.025 hr.	12-12-50	40	\$.80 hr. male \$.70 hr. female	11-1-48	Liberalized vacation and sickness and accident policies made part of the contract. (United Packinghouse Workers, CIO)
*Western Growers Association..... Imperial, Yuma, San Joaquin Val- leys, Calif.	WE	\$.075 hr.	1-27-50	4,000	n.a.	n.a.	Affects vegetable shed workers employed by 55 packing firms. (Food, Tobacco, Agricultural & Allied Workers, CIO)
<i>Metal Manufactures</i>							
Bell Aircraft Company..... Buffalo, N. Y.	WE	\$.05 hr.	1-16-50	2,500 approx.	n.a.	4-12-48	Two and a half cents of increase deducted as contribution of employee to group insurance: additional life insurance, surgical benefits for dependents, greater daily payment.
Bijur Lubricating Corporation..... Bennington, Vt.	WE	\$.10 hr.	1-1-50	100	\$1.12 hr.	11-1-48	Group insurance: additional 1.5 cents contributed by employer. (United Electrical, Radio & Machine Workers, Ind.)
Minneapolis-Honeywell Regulator Co. Minneapolis, Minn.	WE	\$.053 hr.	2-15-50	n.a.	n.a.	n.a.	Result of wage reopening clause of general contract which expires 2-15-52. Contract can be reopened for a general wage adjustment on 60 days' notice prior to 2-15-51. (Int. Union Electrical Workers, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—JANUARY 15 TO FEBRUARY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metals</i>							
*Aluminum Ore Co..... East St. Louis, Mo.	WE	\$.05 hr. average	Retro. to 1-2-50	1,000	n.a.	n.a.	Ninety-five percent of production force received raises. Remaining 5% had wages either unchanged or reduced about 1% under a job reclassification. (Int. Council Aluminum Workers, AFL)
*American Brass Company..... Torrington, Conn.	WE	\$.05 hr.	1-50	n.a.	n.a.	n.a.	Also a hospital plan equal to 1.7 cents worker. (Int. Union Mine, Mill & Smelter Workers, CIO)
Clyde Iron Works, Incorporated.... Duluth, Minn.	WE	\$.03 hr. across-the-board	12-24-49	170	n.a.	n.a.	Also six paid holidays; noncontributory insurance benefit plan—cost 2.5 cents for each hour worked after 1-2-50. (United Steelworkers, CIO)
Continental Can Company, Incorporated McKees Rocks, Pa.	WE	see remarks	12-12-49	333 approx.	\$1.36 hr.	n.a.	Five cents an hour added to pay of employees who have perfect attendance and punctuality records during an entire work week. Because of the difficulty of computing the bonus retroactively, all employees received the 5 cents an hour during the period from 10-3-49 to 12-11-49. (UMW, Dist. 50)
*Phelps Dodge Corp..... Laurel Hill, N. Y.	WE	\$.05 hr.	Retro. to 1-1-50	n.a.	n.a.	n.a.	Contract effective until 6-30-51. (Int. Union Mine, Mill & Smelter Workers, CIO)
Porcelain Steel Corporation..... Connersville, Ind.	WE	\$.05 hr.	1-16-50	200 approx.	\$1.42 hr. average	7-19-48	Insurance benefits increased as follows: from \$5 to \$8 to cover hospital room and board; from \$50 to \$80 to cover special fees; from \$150 to \$200 to cover surgery; \$20 to \$25 to cover weekly benefits. (Federal Labor Union, AFL)
<i>Paper and Allied Products</i>							
Hopper Paper Company..... Taylorville, Ill.	WE S	\$.05 hr. 5%	10-3-49 10-49	n.a. n.a.	n.a. n.a.	n.a. n.a.	(Int. Bro. Paper Makers, AFL) (No union)
Nicolet Paper Corporation..... West DePere, Wis.	WE S	\$.03 hr. \$12.50 to \$15 mo.	11-1-49 11-1-49	155 10	\$1.18 hr. n.a.	6-1-49 n.a.	(Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL; Int. Bro. Paper Makers, AFL)
<i>Public Utilities</i>							
Bangor Hydro-Electric Company.... Bangor, Me.	WE S	\$.04 hr. \$.04 hr.	1-1-50 1-1-50	200 n.a.	\$1.42 hr. n.a.	1-1-49 n.a.	(Int. Bro. Electrical Workers, AFL) (Int. Bro. Electrical Workers, AFL) Also a ninth holiday; three weeks' vacation after twenty-five years.
Cheyenne Light Fuel and Power Company Cheyenne, Wy.	WE S	7.5% 7.5%	6-1-49 6-1-49	87 15	n.a. n.a.	6-1-48 6-1-48	(Int. Bro. Electrical Workers, AFL) (No union)
Gas Service Company..... Kansas City, Merriam, Pittsburg, Kansas; Independence, Lee's Summit, Mo.	WE S	\$.05 hr. \$8.50 mo.	11-1-49 11-1-49	244 20	n.a. n.a.	11-1-48 11-1-48	(UMW, Dist. 50) (UMW, Dist. 50)
<i>Transportation</i>							
*City-County Drivers..... Cleveland, O.	WE	\$.04 hr.	4-1-50	600	\$1.38 hr.	n.a.	Also, retroactive to Jan. 1: two weeks' vacation after one instead of three years; nine days' annual sick leave cumulative to a maximum of twenty-four days—previously, six days a year. Drivers who took no sick leave last year may take up to fifteen this year or accumulate a maximum of twenty-four days by the end of 1951. Truck drivers employed by the county, city and Board of Education are affected. (Int. Bro. Teamsters, AFL)
Frisco Transportation Company..... St. Louis, Mo.	WE	\$.05 hr.	12-1-49	n.a.	n.a.	n.a.	Contract expires 11-30-50. (Office Emp. Int. Union, AFL)
*Ontario & Western Railroad..... New York & New Jersey	WE	\$.10 hr.	2-13-50	600	n.a.	n.a.	Affects operating employees
*Third Avenue Transit System..... New York, N. Y.	WE	\$.06 hr.	2-7-50	3,800	\$1.44 hr.	10-1-48	Increase retroactive to 7-1-49. Gradual payment of \$1,100,000 in back pay to be paid at rate of \$20 a man a month starting 4-1-50. Also three weeks' vacation after ten years; no strike or slowdown during term of agreement, which extends to 12-31-50; seniority rights to be settled during next ninety days. (Transport Workers Union, CIO)
<i>Miscellaneous Industries</i>							
The American Tobacco Company.... Louisville, Ky.	WE	\$.05 hr.	12-30-49	9	\$1.33 to \$1.55 hr.	7-26-48	(Int. Bro. Firemen & Oilers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—JANUARY 15 TO FEBRUARY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Miscellaneous Industries (Continued)</i>							
*American Window Glass Company. Pittsburgh, Pa. Fourco Glass Co. Clarksburg, W. Va.	WE	<i>n.a.</i>	2-3-50	1,000	<i>n.a.</i>	<i>n.a.</i>	A new hospitalization plan and greater sickness and accident benefits. Affects glass cutters.
Broderick and Bascom Rope Company St. Louis, Mo.	WE	\$.02 hr.	12-8-50	175	<i>n.a.</i>	9-26-48	Additional three cents effective 8-26-50. (UMW, Dist. 50)
*Decca Records, Inc. Bridgeport, Conn.	WE	\$.05 hr.	2-16-50	450	<i>n.a.</i>	<i>n.a.</i>	Increase recently negotiated on a company-wide basis in New York City. Also covers plants in Hollywood, Chicago and New York. Contract is retroactive to 2-1-50; allows higher rates for pressing long-playing records. (United Electrical Workers, Ind.)
Pierpont Manufacturing Company. . Savannah, Ga.	WE	\$.07 hr. across-the-board	11-21-49	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Reduction in hours worked from 1800 to 1600 to qualify for vacation. On 1-23-50, about 40% of workers received increases up to ten cents hour. (Int. Union Mine, Mill and Smelter Workers, CIO)
Pittsburgh Plate Glass Company. Store Front Division Kokomo, Ind.	WE	\$.04 hr.	10-25-49	59	<i>n.a.</i>	<i>n.a.</i>	Six paid holidays (Christmas, Fourth of July, Labor Day, Decoration Day, Thanksgiving and New Years) granted and made retroactive to 10-25-49. (Metal Polishers, Buffers, Platers & Helpers Int. Union, AFL)
*Southern California Service & Maintenance Contractors Ass'n	WE	\$.08 hr.	2-10-50	130	\$1.80 to \$2.05 hr.	<i>n.a.</i>	To receive two cents more next year. Affects window washers. (Building Service Employees Union, AFL)
*Wimberly-Thomas Hardware Co. Birmingham, Ala.	WE	\$.09 to \$.19 hr.	1-23-50	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Forty-five hour, 5-day work week. (United Wholesale & Warehouse Employees Union, CIO)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metal Manufactures</i>				
The General Industries Company..... Elyria, O.	WE	11-17-49 and 11-21-50	1,113	Six paid holidays, checkoff. Protection workers also received partial payment for uniforms. Contracts expire in one year. (Int. Chem. Workers, AFL; United Protection Workers, Ind.; Mechanics Educational Society, Ind.; Int. Bro. Firemen, Oilers, Helpers, AFL)
The Geneva Metal Wheel Co..... Geneva, O.	WE	12-4-49	99	Contract expires 11-1-51; provides five cents hour towards a retirement program. (United Electrical Workers, Ind.)
*International Harvester Company..... Wisconsin Steel Works West Chicago, Ill.	WE	1-29-50	4,200	Noncontributory pensions, including Social Security, of \$100 a month to employees sixty-five years old. Liberalized hospital plan; life insurance increased by \$520 to a maximum of \$2,600; \$35 week sickness and accident benefit. (Progressive Steel Workers Union, Ind.)
	S	1-29-50	150	Contributory annuity plan revised; waiting period cut from five to two years; guarantees minimum of \$100 monthly; permits employee to have a vested interest in company contributions after fifteen years' service. (Progressive Steel Workers Union, Ind.)
Milwaukee Gas Specialty Co..... Milwaukee, Wis.	WE	11-15-49	550	New social insurance plan. Pension plan to be considered. Will be discussed 4-1-50. Average rate as of 8-23-48, \$1.39 hour. (UAW, AFL)
*D. J. Mullins Manufacturing Corp..... Warren and Salem, O.	WE	n.a.	3,000	Announced 1-30-50. Minimum monthly pension of \$100, including Social Security, to employees sixty-five or older who voluntarily retire after twenty-five years. A minimum of \$60 month to those retiring after fifteen years. Those with over fifteen years' service get \$4 month more for each year over fifteen. Also social insurance program. (United Steelworkers, CIO)
Barry Wehmiller Machinery Company.. St. Louis, Mo.	WE	1-1-50	272	Health and welfare plan. Contract expires 12-31-50. (Int. Ass'n Machinists, Ind.)
*Westinghouse Air Brake Company; Union Switch & Signal Co. Pittsburgh, Pa.	WE	2-3-50	6,500	Contributory pensions, including Social Security, of \$125 month to employees age sixty-five with twenty-five years' service. Noncontributory social insurance: full hospitalization and surgical insurance for worker and family; a \$1,000 paid-up life insurance policy upon retirement; a \$3,000 to \$5,000 life insurance policy while at work—based on worker's pay rate. Costs of pension to worker range from 2.9 cents to 4.3 cents for each hour worked. Company pays 20.3 cents per man-hour for both pensions and insurance. (United Electrical Workers, Ind.)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metals</i>				
*Allegheny Ludlum Steel Corp. Pittsburgh, Pa.	WE	2-15-50	12,000	Expanded group insurance program. Contributory plan includes liberalization in coverage of sickness, accident, surgical and hospital benefits for employees; increased hospitalization and new surgical benefits for dependents. Workers retiring on pension at age sixty-five or over will be insured for the rest of their lives without cost to themselves. Employees with and without dependents contribute \$2.15 month and \$4.65 month, respectively. Company continues to pay amount equal to cost of present plan. After administrative costs are paid, any dividends will be used to reduce employee contributions or to purchase additional insurance benefits. (United Steelworkers, CIO)
Aluminum Company of America. Garwood, N. J.	WE	1-30-50 4-1-50	400	Improvement of existing noncontributory insurance program including: \$2000 life insurance; death, sickness and accident, hospitalization and surgical benefits. Effective January 30, 1950, until February 1, 1952 (period of extended labor contract). Improvement of existing noncontributory pension program to provide a minimum of \$100 month, including Social Security, for employees retiring after age sixty-five with twenty-five years' continuous service. Employees with fifteen years' continuous service eligible to retire at age sixty-five with a minimum of \$60 month including Social Security. Disability benefits of \$50 month including Workmen's Compensation after fifteen years' continuous service. At age sixty-five disabled employee would come under retirement provision benefits. Effective April 1, 1950, for a period of five years. (Int. Union Mine, Mill & Smelter Workers, CIO)
*Aluminum Company of America. Los Angeles, Calif.	WE	n.a.	1,000	Announced 1-27-50. Two-year contract provides: wage reopening in one year; noncontributory pensions; increased social insurance benefits. Minimum pensions, including Social Security, range from \$60 to \$100 month. The funding and administration of the pension plan entirely under jurisdiction of the company. Social insurance plan provides a monthly minimum disability payment of \$50 under certain conditions. (UAW, CIO)
Cann & Saul Steel Company. Royersford, Pa.	WE	1-9-50	n.a.	Noncontributory group insurance. Workers previously paid 25 cents week. (Int. Bro. Blacksmiths, Drop Forgers & Helpers, AFL)
Colorado Fuel and Iron Corporation. Sunrise, Wyo.	WE	1-10-50	251	Wage reopening 11-1-50. Social insurance and pensions. (Int. Union Mine, Mill and Smelter Workers, CIO)
*Ferro Machine & Foundry Co. Cleveland, Ohio	WE	2-50	2,000	Minimum monthly pension, including Social Security, of \$100 to employees sixty-five years old with twenty-five years' service. Proportionately smaller pensions for fewer years of service. Disability clause \$50 month after 15 years' service. Also six paid holidays. (United Steelworkers, CIO)
Mountain Copper Company. Martinez, Calif.	WE	11-15-49	50	Permanent hospitalization plan for employees and dependents. Base rate effective 11-15-48, \$1.355 hour. (Int. Union Mine, Mill & Smelter Workers, CIO)
The New Jersey Zinc Company. Palmerton, Pa.	WE	10-1-49	n.a.	Amendment of existing pension plan to provide increased minimum payments of \$100 month, including Social Security, to employees aged sixty-five with twenty-five years' service. (United Steelworkers, CIO)
Portland Forge & Foundry Company. Portland, Ind.	WE	10-1-49	n.a.	Five paid holidays. Paid health and accident insurance. (Int. Bro. Blacksmiths, Drop Forgers & Helpers, AFL)
<i>Public Utilities</i>				
Lone Star Gas Company. Dallas, Tex.	WE	12-8-49	400	Six paid holidays to employees with six months' service only if workers lose time because of holiday. Previously, five paid holidays after three years' regular service with double time to those who worked. (Oil Workers Int. Union, CIO)
Manchester Gas Company. Manchester, N. H.	WE	3-15-49	58	Wage reopening: April 15, 1950. Increased insurance benefits; pension plan \$80 month, elective age 67, mandatory age 70. (UMW, Dist. 50)
<i>Miscellaneous</i>				
*Brewers Board of Trade. New York, N. Y.	WE	2-3-50	10,000	New noncontributory welfare benefits. Life insurance, weekly accident and sickness benefits, hospitalization, surgical and in-hospital medical insurance to cover employees and their families. Previously covered employees only. Breweries affected: Schaefer, Ruppert, Piel, Trommer, Rubsam & Horrmann, Guinness and West End. Similar agreements will be signed by Liebmann and Anheuser-Busch. (Brewery Workers Union, CIO)
Corning Glass Works. Corning, N. Y.	WE	1-20-50	5,500	Three paid holidays; improved accident and health benefits; new hospitalization insurance program on a contributory basis; inclusion in union agreement for first time of a revised and improved pension plan which provides a minimum of \$100 month, including Social Security, to employees sixty-five years old with twenty-five years' service. Contract expires 1-20-51. (Amer. Flint Glass Workers' Union, AFL)
*Goodyear Tire & Rubber Co. 10 plants	WE	4-1-50	24,000	Noncontributory minimum pensions, including Social Security, of \$100 month to employees sixty-five years old with twenty-five years' service. Cost to company approx. 10 cents hour. Also noncontributory life insurance averaging \$3,200 coverage, depending on earnings. At retirement, company will pay half cost of insurance with a minimum coverage of \$1,000. Retired employees also to receive half any increase in Social Security benefits which may be enacted by Congress. Average monthly benefits are now \$38.20. Contract expires 2-10-51; provides wage reopening by either party on thirty days' notice. (United Rubber Workers, CIO)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>miscellaneous (Continued)</i>				
Kroger Co. Cincinnati, O.	WE	1-30-50	25,000	Increase in retirement income of 50%. Plan is noncontributory and independent of Social Security benefits.
Laundry Workers..... Greater New York, Westchester, Long Island	WE	2-1-50	25,000	Guaranteed annual wage; all men employees guaranteed 40 hours work a week; women workers, comprising approximately 60% of industry's workers, promised a minimum weekly wage no matter how few hours they work. Minimum weekly wages were raised: family and wholesale division, \$1.25; linen division, \$2.20; engineers and maintenance men, 10%. Noncontributory pension plan. Cost 1% of weekly pay rolls. Fund administered by union; management representatives serving on board of directors. Medical clinic treatment added to previously established health provisions. Two-year contract provides wage reopening anytime on sixty days' notice. (Amal. Clothing Workers, CIO)
Penobscot Transportation Company.... Bangor, Me.	WE	1-1-50	n.a.	Also a ninth holiday; three weeks' vacation after twenty-five years. (Amal. Ass'n Street, Electric Railway & Motor Coach Emp. AFL)
Steger Furniture Manufacturing Co..... Steger, Ill.	WE	10-31-49	350	Two weeks' paid vacation after three instead of five years. Second shift differential increased from 5 cents to 10 cents hour. Contract expires 10-30-48. Average base rate as of 10-30-48, \$1.08 hour. (United Construction Workers, UMW)

C—No Change in Wage Structure

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
*United States Potash Co.; Potash Co. of America; Int. Minerals & Chemical Corp.	WE	2-1-50	1,500	Contract expires 5-31-50. (Int. Union Mine, Mill & Smelter Workers, CIO)
Carlsbad, N. M.				

¹Type of worker: WE, wage earner; S, salaried employee.

*Obtained from press reports—information not verified.

n.a. Not available.

Note: Due to an erroneous newspaper report, an increase was reported for the Proctor Electric Company of Philadelphia, Pennsylvania, in the January *Management Record*. Actually all that was granted to the CIO International Union of Electrical, Radio and Machine Workers was: one paid holiday, making a total of seven; a union shop; checkoff; improved vacation and seniority benefits; inequity adjustments of from three cents to eight cents an hour. Workers are to be paid for time lost in handling grievances.

Executive Development

(Continued from page 95)

and is willing to put forth the effort to develop himself in accordance with our program may qualify for the inventory. After men are selected for the inventory, our plan calls for giving them certain work experience and formal training to qualify them for executive positions. In the final stages these men are sent to the Harvard Advanced Management Program, a thirteen-week course for business executives. From this course we expect them to get a broader perspective of business as a social force and a greater vision of the scope of the management job.

Now let us look at some things we are doing toward the second purpose—continuous development after placement in an executive position. The job of an executive today is becoming increasingly complex. At least 50% of his job is devoted to personnel admin-

istration which includes the development of the people under him as one of his most important responsibilities.

One phase of this continuous development is done by group work in executive conference, grouping the men by executive level. These conferences, which are held biweekly, explore the best management techniques and apply them to over-all company problems. In addition, executives from field offices are brought to the home office three times a year, each meeting lasting a full week. These are training and developmental conferences in which we discuss problems these men are encountering in the field as they are related to the operation of the entire company.

As a means of individual development, we utilize descriptions which we have for each position in the company. For the top jobs, we spell out the management factors of planning, organizing, staffing, leadership and communications. The position description is

used as a basis for training our executives, and also as a tool to check periodically to see whether management responsibilities are being fully performed.

RELATION OF APPRAISAL TO TRAINING

Another item in this individual development is our employee appraisal program. Under this plan all supervisors fill out appraisal forms on each of their workers twice a year. This program is not to be confused with merit rating since its purpose is not to arrive at a set of numbers by which the employee is rated. Rather, it is an analysis intended to form the basis for further development of the employee. Since it is company-wide, it includes the executive group that we are talking about today.

The factors on which superiors are asked to appraise are such things as alertness, quality of service, initiative, dependability and emotional balance. The real purpose of this program is to provide an opportunity for the supervisor and subordinate to sit down together in a sincere, give-and-take discussion and lay the cards on the table. In the interview the objective is to arrive at an understanding so that the employee knows where he stands, what his opportunities are and what he should do to develop himself for the opportunities. It is also an occasion where the supervisor may find out what he may be doing that hinders the employee. This is the kind of thing that should take place upon each daily contact between the executive and his superior, but it is so easily overlooked that we find it desirable to provide a special tool and a special occasion for arriving at this mutual understanding.

Then, too, we use the Harvard Advanced Management Program for people who are already in executive positions. As soon as they seem to be ready for this kind of training, we are taking them, in order, as rapidly as we can. It is our plan that all executives who are ready for this kind of training will eventually participate in it.

What are the results of our program? We certainly do not feel that we are in a position to sit back and relax and say that everything is under control. We do not believe that any company ever reaches that stage. We do feel that now it is less difficult to find people with potential to fill jobs than it was when we started. That is some comfort to us. As a result of our conference program we find that the people in executive positions work together better. They try to understand each other and they work in a coordinated manner. The indications are that we are headed in the right direction.

Mr. Pettegrew

Our company has grown steadily since it was founded in 1897, but of late years, its growth has accelerated

materially. This rapid expansion created all the problems usually experienced in such situations—including a shortage of management personnel.

Top management has been working with psychological testing consultants for a number of years. Testing of the existing management group developed a series of patterns indicating the kinds of talents and abilities needed in the management of each function of the business. The initial testing program not only gave this valuable result—it also revealed the strengths and weaknesses of the individuals in the group.

Knowing the ability and potential on hand, every possibility for filling new management jobs from within the organization was exhausted. When it was not feasible to fill jobs from within, the right persons were brought in from outside. Candidates were required to take the tests after going through the usual screening process.

Top management further realized that if they desired to attract men foremost in management abilities and develop them, a program was needed to weld the executive personnel into a team.

TRAINING EXTENDS TO TOP MEN

An informal but purposeful training program was instituted in 1946. The entire management group is included in the program to some degree. With few exceptions, this embraces everyone from foremen up to and including officers and directors—most of the latter being active in the company. Our foreman is comparable with a general foreman in most companies, because he may have as many as 200 men and women under him. Group leaders handle the routine work of the department, leaving the foreman free to devote much of his time to personnel relations.

An estimate of the individual's potential value to the company is one of the chief factors considered in determining the degree to which he will participate in the program. Generally, an individual is trained for a particular opening, but sudden shifts in the organization may cause openings for which there is not a specifically trained candidate. Recently, for example, we assigned a young man working in personnel to the job of directing three production departments. Therefore, training is quite broad for those with sufficient potential.

We consider the training period as being continuous, believing that no one ever gets to the point where he knows everything there is to know about running a business or dealing with people. With this in mind, and thinking in terms of the future of the company, we have five training goals and we rank them in the following order: human relations, creative imagination, job competence, personal development, and company knowledge. We consider the second goal—cre-

ative imagination—especially important for the top men.

We approach the training problem from several angles. All jobs have written descriptions, with the duties and responsibilities of each carefully listed. From these, we know what to look for when selecting and training men for specific jobs.

FUNCTIONS OF PSYCHOLOGICAL CONSULTANTS

The services performed by the psychological consultants are basic to the program.¹ We rely heavily upon the analysis and judgment they make of each executive. They have almost *carte blanche* in working with the management group, following, of course, the needs as seen by the executive vice-president, who actively is in charge of the whole program. We feel that a third-party point of view can be more objective when discussing certain personal traits than that of a member of the organization. The results obtained from this phase of the program to date are of high order.

Each winter fifteen biweekly conferences are planned on such topics as: company organization, human relations, basic economics, safety, and general management problems. These conferences are attended by all members of management in groups of ten to twelve. Each group represents a cross section of management personnel, usually including one of the vice-presidents, along with superintendents, engineers and foremen. This gives the lower echelons the benefit of top management thinking while, at the same time, it keeps the top men alert to the problems faced by those with less responsibility. I conduct most of these meetings, but the presentation of factual data is the responsibility of the person heading up the function of the business under discussion.

Members of the group are encouraged to visit other companies. Each man is expected to keep up in his field, but he is largely on his own in deciding which companies to visit and what people to talk to. The same goes for attending technical meetings, management conferences and the like.

COMMUNITY ACTIVITIES

It is expected that each person—particularly those in top positions—will take an active part in community affairs. Since executives should know how to speak effectively and get their ideas across, we encourage them to take advantage of public speaking opportunities.

The top people in our organization are kept informed of company matters through informal contacts and through meetings of our planning committee. Divisional meetings are held about every two weeks. Every four or five weeks, the entire management group has

dinner together. At these meetings questions are in order concerning the various phases of the business.

An annual interview for everyone on the pay roll is one of our basic personnel practices. In accord with this, each executive is rated against his job description once each year. We have a profit-sharing plan, and the amount each executive receives depends largely upon the rating of his performance against the job description. His rating is discussed with him by the executive vice-president, the head of his division, and by me. We consider this annual rating to be extremely important. The individual's accomplishments and shortcomings are reviewed in a constructive way, so that he leaves the interview with a feeling of having been helped rather than criticized.

In spite of its rather informal nature, we feel that our program is producing results. It has already borne fruit. In the past three years about fifteen men have moved up. We believe that as a result of the program they have brought more with them to their new assignments than they would have otherwise.

We have not attempted to keep costs on this program. We believe that a program which shows men how to get more satisfaction from doing their jobs well, and which is preparing them for advancement, must be a program in the right direction. We look at the cost, whatever it is, as an investment in the company's future. We consider this investment a sound one.

Mr. Caldwell

Our present program began in 1933 and progressed through a series of changes and developments. The details of our present activities are considerably different from those in the early Thirties, but our basic thinking regarding the importance of this activity and its place in the management of our company has not changed. Our program was not put into effect in a packaged manner nor did it attain its present acceptance on the basis of a decree by management. Over the years it has been tailored to fit the needs of the company.

Now we have more than 1,000 separate units—retail stores, mail order plants, warehouses, factories, administrative offices—scattered throughout this nation and through Central and South America. Most of them are relatively small units. The majority of our stores employ less than 250 people. The management of our company is largely decentralized. The organization in Chicago, the parent department, with more than 1,500 key specialists, serves as a central buying unit and coordinative and advisory headquarters.

Throughout the country we have five administrative headquarters, each headed by a vice-president who is assisted by a relatively small staff and is responsible for the sales and profit performance of

¹See also article on p. 98.

Sears branches within his area. He, in turn, has decentralized his authority and responsibility to his zone managers and to the managers of our respective stores and plants. Each store is free to act as it sees fit within the framework of company policy. This means that our men in the field must be able to stand on their own, to make good decisions and to keep those decisions within the structures of broad company policies.

HOW THE PROGRAM OPERATES

At present there are approximately 10,000 salaried positions in Sears. Only 15% require specialized technical knowledge. Because of the extremely large percentage of general administrative executives, it has been possible for us to build a developmental program which is highly flexible. Most of our executives have risen from the ranks.

Our five territorial personnel managers make an annual estimate of the number of vacancies in salaried positions which are likely to occur in the year ahead. These estimates are projected for as much as five years. Based upon these estimates each territory makes necessary current adjustments in its executive development activities. Each territorial personnel manager is responsible for making certain that an adequate number of qualified men are coming up the line to fill the anticipated vacancies.

In our executive development program we are concerned with the selection of men for promotion as well as the training of these men. Our training consists primarily of job rotation. We want our men to be interchangeable. We do not want to appoint a man to one job only. Consequently, we have stayed away from the development of specific backups for potential vacancies except in the case of positions which require a high degree of technical skill or those at the top level of administration. Because of this high degree of flexibility we have developed what we call our reserve group. This reserve group consists of individuals throughout the company who have been identified as being capable of handling additional responsibility at the salaried level. For most of these individuals we have visualized several possible avenues of promotion. The details of selecting, training and administering our reserve group plan vary from one territory to another, but the fundamentals are identical throughout the company.

TESTS IN EXECUTIVE SELECTION

I would like to confine the balance of my remarks to the subject of executive testing and point out the way in which we have integrated testing in our overall executive development plan. In our experience each personnel manager in our company, and this is undoubtedly true through industry generally, is often placed in a difficult position regarding executive se-

lection when a question arises as to the qualification of a candidate for an executive job. If the candidate is being reviewed for placement in an executive position and if the line executive's opinion differs from that held by the personnel department, a stalemate may be reached. In view of our geographical dispersion and other factors, experience has indicated over the years the importance of establishing an objective measuring stick.

We began experimenting in 1942 with the development of a battery of tests which could be used in the selection and placement of executives. We finally decided upon the use of several commercially available tests which would give us a measure of a man's mental ability, his personality, the things he considers most important, and his interests. We had learned that it was very difficult to identify these four factors either specifically in an interview or through general observation of an individual. Today our various headquarters offices are staffed with qualified technicians who are skilled in administering and interpreting these tests.

Since 1942 these technicians have administered our test battery to over 8,000 individuals, most of whom were Sears' employees who were being considered for promotion at one level or another. A special test report is prepared for each individual who completes this battery. This report presents a graphic profile of the person and discusses in three or four summarized paragraphs his strengths and weaknesses as they pertain to the kind of jobs for which he might next be considered for promotion within the company.

ADVANTAGES OF THE PLAN

Now when we are attempting to fill an executive position in Des Moines, for example, we have more than the opinion of the store manager in Cleveland as to the candidate's suitability for this particular job. Through the use of our tests we can determine with amazing accuracy his abilities to stand pressure, the maturity of his attitude, the satisfaction he receives from doing the kind of work we have in mind for him, and the length of the training period he probably will require to pick up the new skills involved. When we want to promote a man into our parent organization in Chicago our tests provide us with more information than just his previous production record in a retail store and the opinion of a store manager that he is a good man with potentialities for growth. It is both unfair to the man and certainly expensive for the company to learn several months after a change has been made that the man is fundamentally not suited to his new position.

We are well aware of the potential weaknesses of psychological tests; we do not expect them to be the final answer to placement problems. We always try

to keep tests in their proper perspective by asking ourselves this question: do the test results confirm the judgment of the personnel executives and other key men in the organization who are skilled in appraising people? If the strengths and weaknesses outlined in a man's test report are not consistent with the strengths and weaknesses observed during his performance on the job, then we feel it is time to take a more detailed look at both the man and the tests.

I should like to make one final point. Our experiences have indicated that good administrative executives cannot be developed unless the company makes certain that each man who is considered promotable into this type of position is given a well-rounded experience in all the phases of the operation which he may some day supervise. Few men can provide intelligent leadership in any branch of the business unless they have real understanding of each activity under their direction. This kind of understanding can come about only through actual experience and actual responsibility for producing results in each subordinate activity. Our testing program assists us greatly in identifying individuals who are likely to succeed in key executive positions; through our job rotation plan we make it possible for these men to grow and develop so that they will be able to handle their important assignments with confidence. Thus, every executive in the Sears organization occupies his present position because he has earned it. He has earned it in fair competition with his associates and maintains himself in his position on the basis that he is qualified and proves those qualifications in the day-to-day production on the job. We know of no better practical formula. It has worked successfully for Sears for many years.

Mr. Wilkinson

For the purpose of this discussion I am defining executive management as it applies to those at or above the third line of supervision in the Bell System.

Including this level and going on up to the presidents of our operating companies we have about 7,000 management people. About half of them are college graduates who were employed with the expectation that they would qualify for the executive group, and the remaining are those who have advanced from the ranks.

FIVE BASIC FACTORS

In providing for the development of executive potential in the normal running of our business, there are five basic factors to be considered. First, there is the initial selection. This includes those recruited from the colleges and also our workers who come from the vocational ranks and who show qualities of leadership.

The second element may be referred to as broad experience or cross training. Both before and after reaching the third management level, potential executive material should be tested in line supervisory jobs and as far as possible in different departments in the business. This is for the purpose of broadening the individual's background and disclosing to some extent his potential executive ability.

The third factor is the management training work, a program directed toward a better understanding of people and toward a full knowledge of the policies of the business. The individual's skill in using the management tools that are provided for him through such training programs is an important measure of his executive ability.

We call the fourth factor "results measurement." We have very definite measures of performance in our line jobs. There are both production indices and quality indices. These are computed periodically and thus we get a basis on which the performance of the man can be judged in comparison with other supervisors in similar positions.

The fifth element in our selection of people for upward movement in and above the third level of management is pooled judgment. We have found no adequate substitute for the pooled judgment of a group of executives who have had the opportunity to know about the measured results and the accomplishments of the individuals available for promotion.

PROGRAM IS INFORMAL

In the Bell System we do not, for the most part, provide any formal schooling for our potential executives, either by specific programs inside or outside the business. In making that statement I am not in any sense trying to pass judgment on the value of such programs. We stress increased emphasis on bringing all executive people in on discussions of the broad problems of the business and, to an increasing extent, we have been endeavoring to build up the general management responsibilities of all executive people by giving them broader responsibilities and fewer detailed instructions. In brief, we are trying to give full opportunity for executive ability to come to the top in the normal running of the business rather than through the provision of special developmental programs. What we are trying to achieve is the ideal sought by football coaches who like to have every position on the team backed up at least three or four deep. We hope we are doing that. We think that is the biggest need in the business both now and in the future.

Discussion Period

QUESTION: What tests do you use at Sears Roebuck to select persons with executive ability?

MR. CALDWELL: We use a battery of standardized tests which are available to anyone with psychological training. Included are the Kuder Preference Record, the Guilford-Martin Personality Inventory, the Allport-Vernon Study of Values, and the American Council on Education Mental Abilities Test. Other tests are used on occasion.

QUESTION: What index do you have to measure executives or potential executives in human relations qualities and performance?

MR. WILKINSON: We do not have any yet, but we are working on the problem. We have plenty of indices for measuring productive results and heretofore probably all of us placed most of the emphasis on the boss as a production manager. Now we are placing emphasis on the boss as a manager of people, as an achiever of results through the people in his organization. We have not found an exact way to measure the thing yet, but the way we are going at it is by introducing some of these communication ideas into the stream of the business and then having a checkup process through the use of skilled interviewers down the line to find out just how much is really getting channeled down and how much is getting channeled up. The results that we are turning up are beginning to bother some of the top line boys who thought they had an effective program of management training.

MR. PETTEGREW: I think one of the best ways of measuring this quality is the annual interview. For example, a vice-president has interviews with the superintendents and managers who report to him. He makes a written report of each interview. From the interview that the executive vice-president has with that vice-president and from the interviews that the vice-president in turn has had with the people directly under him you get a measurement of that man's ability to handle people. It is quite astonishing what these written reports bring out. When you compare them across the board, man for man, it stands right out that here is an executive who can sit down and discuss everything and anything with the people under him, can get them to bring out their gripes and grievances and can do a constructive job in showing them how they can do their jobs better.

QUESTION: Do the executive trainees at Standard Oil know in advance that they may be promoted?

MR. CORLESS: Usually not. The objective of special training is as often the improvement of a man's performance on his present job as his prepara-

tion for a more important job some time in the future. The outcome may be determined by his growth under training or by circumstances affecting the business, personnel changes, and the like.

QUESTION: How do psychological consultants arrive at their judgments?

MR. GRAVER: The firm that we use employs interviews and certain tests. In the interview they use indirect techniques to substantiate the findings and to explore further into the background of the individual in line with the answers given on the test. In their analyses they attempt to spell out five basic factors. The first is the person's ability to use his mind in the solution of problems as he meets them in business today.

The second factor is his emotional maturity. Does he behave under stress and pressure as a mature individual, or does he revert to immature behavior and blow his top or pound the desk or throw the telephone?

Third, what abilities does he have in working with people and getting along with people?

Fourth, what is his insight into his own motivation and the motivation of others? Does he recognize the drives behind the things that people do?

Fifth, what is his ability to organize his own work and the work of others who report to him?

QUESTION: I should like to ask Mr. Asbury if, as a result of his long study, he has any comments to offer on the social responsibilities of executives.

MR. ASBURY: I feel with all the strength of my being that the future of our country is dependent upon a recognition by business management of its social responsibilities. It seems to me that the greatness that we have achieved has been the result of the leadership which business heretofore has exerted. But what of the future? Will our business leaders of tomorrow acquire those qualities of leadership and statesmanship which will be needed to keep us from some of the isms which apparently are closer to our door than we care to admit?

Management must strengthen itself, must create today reserves of trained executives to underwrite the future. Every company of whatever size in the United States has a stake in this. What happens to our country tomorrow, in my opinion, depends most of all on how the management of our free enterprise society recognizes and shoulders the heavy burden of direct responsibility to the social order which challenges it today.

The Conference Board

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In the Record

Operation Rumhead

One large company which has consistently regarded drunkenness as a sickness found that establishing Alcoholics Anonymous units helped tremendously in salvaging alcoholic workers.

Its program is a two-edged sword come to slay the bleary-eyed dragon. First, AA units were set up. (It now has a total of sixty such units in its various plants.) This was followed by a program of education for all employees, including executives, supervisors, office personnel and workers.

This approach to the drinking problem is discussed in the second article on alcoholics in industry, which appears on page 142.

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Insure the Retiree?

Does the cradle-to-grave security so much talked about in these parlous days call for the continuance of life insurance for retired employees? Or can a company feel that its responsibility to the worker—regarding group life insurance—ceases with his retirement?

The problem is a ticklish one. By not insuring these older people—where premiums run high—more money is made available for other benefits. Some companies split the difference by giving reduced coverage to their retired workers. Another solution permits the retired employee to continue his contribution toward his group life insurance.

Opinions vary widely on these points but the policies of many companies are discussed in the article beginning on the following page.

• • •

The Camel's Head of Custom

It is harder to take back a privilege already granted than to refuse a new one.

Sometimes it is a custom. One company which provided soup for its workers at lunch time during winter months is party to a contract containing a clause guaranteeing not only free soup but a dozen other rights which originated as customs.

In other cases it is an exception made to a rule under

special hardship circumstances. In such cases there is a strong temptation to look upon the exception as a new rule. One company, afflicted by a rash of absenteeism, found it necessary to circularize a stern letter signed by both company and union officials. The letter explained that the sick leave rule was not a right but a privilege. The contents of the letter together with an explanation of the circumstances preceding its publication are given on page 148.

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Cross Your Fingers

Tempered optimism is the pitch in the light of recent figures on "cost of living," wages, earnings, and management-labor negotiations. Prices of consumers' goods in 1950 have been more or less stable with little evidence of a sharp up or down in the immediate future. Wage rates have been firm, with early 1950 negotiations concerned more with benefits than raises in hourly pay. Whether employment opportunities are expanding fast enough to absorb the rapidly growing labor force seems to be the chief worry of those who watch labor statistics. Seasonal factors will help in the months ahead, particularly with home building at record high levels. Members of the Statistical Division's staff review figures on all this. Their articles begin on pages 131, 154, and 155.

• • •

Office Boy to President?

Time was when a boy could join a company and wind up some years later as its president. Nowadays, however, haphazard methods are no longer considered adequate to meet the needs of our complex business world.

Well-qualified executives are in short supply. If an adequate number is to be available in the years ahead, steps must be taken now to train the right men.

Some companies favor job rotation for training future executives. Others rely on top-drawer powwows following lunch or dinner. There are literally a dozen or more other approaches to executive development.

Programs used by a number of companies to meet this need are surveyed in the story beginning on page 132.

Life Insurance for Retired Employees

SHALL the employee be eligible for group life insurance after retirement? Some companies believe that this benefit should be discontinued because it is costly to continue group insurance for these older employees. The basic premium rates for group life insurance are based largely upon the ages of all covered employees. The rate for \$1,000 life insurance is 55 cents a month for employees thirty years of age and ten times that amount (\$5.61) for workers at age seventy. While the inclusion of the pensioned workers is costly, many companies believe that these older employees are entitled to some life insurance protection after retirement.

CONTINUANCE OF LIFE INSURANCE

In view of the conflicting ideas regarding group life insurance for the retired employee, THE CONFERENCE BOARD made a survey of 205 companies with group life insurance. It is significant that 25% of the cooperating companies continue the insurance in full for these pensioners, while nearly 30% provide for reduced coverage. (See Table 1.) Only a third definitely discontinue all life insurance upon retirement.

Nine additional companies handle the problem of life insurance for retired employees by a paid-up policy. Another company discontinues life insurance but provides a small death benefit from its own funds.

The policies regarding discontinuance of group life insurance for retired employees are somewhat different for companies which have a formal pension plan than for those which do not. For companies with a pension plan covering all employees, only about a fifth have discontinued the group insurance for retired employees, contrasted with nearly 50% of the companies not having such a plan. In a quarter of the companies, both with and without pension

Table 2: Company Policies on Reducing Life Insurance Upon Retirement

Amount of Insurance Reduced to:	Number of Companies
Flat amount	
\$500.....	5
750.....	1
1,000.....	14
Reduced by percentage each year	
5%.....	2a
10%.....	3b
20%.....	7c
2% per month, minimum \$500.....	1
Reduced to flat percentage	
25%.....	3d
30%.....	1
50%.....	11e
Depends on length of service.....	9
Varies according to salary.....	1
Reduced to amount of annual pension.....	1
Same amount for contributory, 1/3 of free insurance.....	1
One year's salary.....	1
Varies according to age.....	1
Total.....	62

aIn one company, reductions cease at age 73.

bIn one company, minimum 50% of policy; in one company, minimum \$1,000.

cIn five companies, minimum \$500; in one company, minimum \$1,500; in one company, same amount for five years, then reduced 20% each year to 50% of policy.

dIn two companies, minimum \$500.

eIn two companies, minimum \$1,000; in three companies, minimum \$500; in one company, contributory plan reduced 50% and free insurance carried in full.

plans, the group life insurance is continued unchanged after retirement.

REDUCED INSURANCE

Company policies show the greatest variation in the reduction of the amount of life insurance after retirement. Nearly half of the companies with pension plans for all employees reduce the amount of life insurance upon retirement, contrasted with a little over 15% of the companies not having pension plans.

No one policy predominates in the companies which reduce the amount of group life insurance for retired workers. The death benefit may be reduced to a flat sum which ranges between \$500 and \$1,000, or the amount may be gradually reduced by a definite percentage each year. A third method is to reduce the insurance to a flat percentage, most commonly set at 50% of the amount in force at time of retirement. The fourth method is to vary the rate of reduction by length of service. (See Table 2.)

EMPLOYEE CONTRIBUTIONS

Another point of difference in formulating a policy on participation of retired employees under group life insurance plans is whether these ex-employees

Table 1: Amount of Group Life Insurance Continued for Retired Employees

Disposition of Group Life Insurance	Companies		Companies with Pension Plan for All Employees	Companies with Pension Plan for Salaried Employees	Companies with No Pension Plan or Not Replying to Question
	No.	%			
Continued unchanged	52	25.4	23	7	22
Discontinued.....	71	34.6	21	11	39
Amount decreased...	62	30.2	45	8	9
Continued free insurance, discontinued contributory part.	2	1.0	1	1	...
No special provisions	18	8.8	4	4	10
Total.....	205	100.0	94	31	80

should contribute under the plan. Seemingly, company policy depends upon whether the full amount of life insurance is continued. Table 3 shows that half of the plans which permit the retired employee

Table 3: Company Policies on Employee Contributions After Retirement

Employee Contributions	Total		Group Insurance Continued Unchanged	Group Insurance Decreased
	No.	%		
Contribution on same basis as active employees.....	37	32.4	26	11
No employee contributions.....	67	58.8	23	44
Contributions increased.....	2	1.8	1	1
Contributions from some classes and not from others.....	2	1.8	..	2
Question on contributions not answered.....	6	5.2	2	4
Total.....	114	100.0	52	62

to continue full participation require the same employee contribution as before retirement. In contrast, of the sixty-two companies which reduce life insurance after retirement, nearly three fourths do not require contributions from the superannuated employees.

Two companies require retired employees to pay higher rates after retirement. In these companies the employee contribution is increased to \$2.50 a month per \$1,000.

In an additional two companies, some types of employees contribute while others do not. In one company, only salaried employees contribute. In the other, employees contribute only on life insurance in excess of \$3,000.

F. BEATRICE BROWER

Division of Personnel Administration

Recent Contract Settlements

OF THE ninety-nine contract settlements reviewed by THE CONFERENCE BOARD from mid-February to mid-March, one quarter called for wage increases only, twenty-nine provided both increases and fringe items, thirty-eight granted fringe items only and six were renewed without any change. Only one decrease was reported.

There were several increases affecting at least 10,000 employees. The Campbell Soup Company and the Food, Tobacco, Agricultural and Allied Workers Union agreed to a company-paid social insurance program and three weeks' vacation after fifteen years' service, in addition to an increase of four cents an hour. Workers in Camden and Chicago are affected by this settlement. About 15,000 CIO Steelworkers in twenty-eight American Can Company plants benefited by a five cents an hour raise. The two-year contract also provides a noncontributory pension plan which allows a minimum pension of \$100 a month to workers who retire at the age of sixty-five after twenty-five years' service.

MINE WORKERS GET INCREASE

The increase causing the greatest nation-wide interest was that negotiated by the Mine Workers and the bituminous coal operators. After several months of disagreement, the following was decided upon: (1) an increase of seventy cents a day, raising the basic daily wage to \$14.75; (2) thirty cents a ton (previously twenty cents) to be paid by the operators into the miners' welfare and retirement fund; (3) a reduction in the time permitted for work stop-

pages for memorial periods to a maximum of five days a year. Approximately 370,000 miners are affected.

Payments withheld from the welfare fund were to have been repaid by March 15, 1950. The contract, which expires July 1, 1952, can be reopened for wage meetings after April 1, 1951.

BENEFITS ONLY

Many of the larger companies are continuing to negotiate for benefits only. Pension plans or social insurance plans have been agreed to by Youngstown Sheet and Tube Company, Goodyear Tire and Rubber Company, and the Consolidated Edison Company of New York. The Goodyear Tire and Rubber Company and the Aluminum Company of America at Massena, New York, have extended their pension plans to cover salaried employees.

A WAGE DECREASE

The wage decrease noted affected 2,700 salaried employees of the Pittsburgh Consolidation Coal Company. Reductions ranged from 20% in the higher-paid brackets to 5% in the lower brackets.

A listing of wage adjustments, the majority of which have been verified by company reports, begins on page 161. The settlements are classified in these groupings: wage increases, settlements for fringe benefits, no change in the wage structure and wage decreases.

DORIS K. LIPPMAN
Statistical Division

Building New Executives

WHEN the president dies, we hire a new office boy. Everyone moves up. Honesty, sobriety and hard work are the qualities an ambitious employee needs to get ahead. Experience is the best teacher. Going to night school probably helps. The cream will rise to the top by itself. . . ." So it used to be said.

Executive development was seldom discussed a generation ago. Probably no company then had a program for training executives.¹ The Horatio Alger or office-boy-to-president formula was generally accepted. And who is to say that it did not work? Certainly this country produced a host of successful business leaders. Strong men, self-made in many respects, rose to the top in many organizations, both large and small, and they served their businesses and their communities well.

Now, thoughtful businessmen are asking if the old system can be followed much longer with safety. Of course, character and ambition are still important in business and they always will be. So are the efforts made by the individual, both on and off the job, to improve himself. The question is: Are these things enough? Or have changes occurred in business and in society that call for a reexamination of our basic assumptions? Today, there is a shortage of executives. Few were trained during the depression of the Thirties because most companies felt then that they could not afford to do the job. Fewer still were trained during the war when all effort was directed toward getting out the goods. College recruitment dropped off sharply during the same period, making gaps at the junior officer level.

FACING A NEW SITUATION

Our society is growing older. Some 2,700 United States citizens reach the age of sixty-five daily. Company executives also are growing older. Many are close to retirement age. A recent study of the management personnel in sixty-five companies showed a disturbing trend over the past two decades²:

	1929	1949
Average age of all officers		
(excluding chairmen of boards).....	47	54
Average age of presidents.....	53	59

¹According to a Conference Board survey in 1946, 5.2% of 3,498 companies had executive training programs; in 1939, 4.6% of 2,700 companies had such programs; in 1935, the figure was 3.1% of 2,452 companies. Earlier, the question was not even asked.

²From "Management Personnel: Is Your Company Building and Protecting Its Most Valuable Assets?" a four-page report by Booz, Allen & Hamilton, Chicago, Ill.

Senior officers averaged forty-eight years of age in 1929 and fifty-five years in 1949. Normal replacements for the senior officers averaged fifty-two years of age in 1949. These men, on the average, will survive only three years longer in business than those they succeed. A much better differential would be about fifteen years.

Managing a business is more difficult and exacting today than it ever was before. The implications are clear and they are of first importance. The need for a comprehensive program of training and development for all executive personnel is urgent. In fact, many are of the opinion that such a program is a must for the preservation of our way of life, as well as for the preservation of individual business enterprises.

Employees expect more of management today than they once did. If the approach: "Here's your job: take it or leave it" was ever adequate, it certainly is adequate no longer. And the public, like the employee, is expecting more of management than it did formerly. There is talk of the social responsibilities of business. If business is to turn out the goods and to play a leading role in our society as well, the burden which the individual executive must shoulder is a heavy one. He needs all the help that can be given him to meet these responsibilities.

NEW POLICIES CALL FOR CHANGES

Other matters are forcing attention on executive development. Many companies have a mandatory retirement age of sixty-five and some have one of sixty. Promotion-from-within policies are becoming more popular. Also, if likely young men feel they are stymied by seniority rules and that their companies are not taking steps to help them get ready for more responsible positions, they may leave for more attractive opportunities elsewhere.

Industrial training programs at various levels have been in effect for many years. Employee training is an accepted procedure. Training of foremen and supervisors is a more recent development but it, too, is well established and well accepted today. As one moves up the management ladder, he finds fewer and fewer programs of training. But it can easily be argued that it is the man at the top who is most in need of training. The importance of training increases as the demands and responsibilities of the job increase. Mistakes which may be attributed to a lack of training are not too serious in many jobs, but such mistakes at the executive level may wreck the business.

The skeptic will ask if an executive, having arrived, will accept training. Companies which have offered their top officers a practical and well-conceived developmental program answer strongly in the affirmative. The better a man is, it would seem, the more he welcomes such a program.

During the past nine months THE CONFERENCE BOARD has made an extensive study of the executive development programs of a number of representative companies throughout the United States. More than twenty companies were visited. Also, the executives of additional companies were interviewed in New York and at various management conferences. The results of this study will be published in a full-length report later this spring. The chief findings are summarized in the following paragraphs.

GETTING STARTED

A variety of answers were received when the following question was asked: "What was the situation in your company at the time your program of executive development was started?" In several instances an inventory of the top personnel dramatized the situation. The inventory showed just how much longer certain key officers might be expected to remain on the job. Also, the company was brought face to face with the problem of replacements. In other situations, consultants, having surveyed the organization, offered a number of suggestions including that of an executive development program. In at least one instance known to THE CONFERENCE BOARD, a company became interested in executive development following the return of one of its officers from the Advanced Management Program at Harvard University.

Some executives have been impressed by reading or hearing about the necessity and worth of a program of executive development. Other companies have been forced to take stock of their situations following the introduction of new personnel policies (such as promotion from within, retirement at age 65, etc.), or because they were losing too many of their younger executives to competitors. The same is true of expanding companies which, upon recognizing the scarcity of trained executives, have felt the need of developing their own people. All companies with executive development programs testify to one thing: the interest and support of the president of the company is immeasurably helpful in getting a program under way and in making it successful.

No two companies go about the business of training their executives in the same way. There is, however, one area of agreement. Training practices used at other levels in the organization are of only limited value at the top. While some purposes can be accomplished through direct instruction and by group meetings, the scope of executive development is so broad

that new approaches must be found to supplement the more traditional ones.

Job rotation is used extensively. The individual may make horizontal moves, vertical moves, moves within his department or outside it, and even inter-company moves. He may remain on a new job for several months or for a year or longer. He may be largely an observer or he may, after a brief period of coaching, take over the full responsibilities of the job. At the end of the rotation period he usually is assigned to a new job, although he may in some instances return to his former position with the same or increased responsibilities. The "merry-go-round" program of the Consolidated Edison Company of New York is a good example of the use of job rotation.

A few companies feel that the matter of executive development is so important that the individual should not be expected to carry the responsibilities of one job and, at the same time, get ready for one of larger dimensions. At Lockheed Aircraft, for example, full-time trainee positions have been established and those accepted for the executive development program have no direct operating responsibilities for the duration of their training. This period may be from one to three years.

The Advanced Management Program of Harvard University and similar courses at other universities serve as the core of the executive development programs of many companies. A description of several management training courses appeared in the February issue of this magazine.

THE PLACE OF CONSULTANTS

Almost all of the companies visited by THE CONFERENCE BOARD have used consultants to help them in one way or another with their executive development programs. They point out that consultants, since they are outside the organization, can view company problems objectively and deal directly with top officers in a way which would scarcely be possible for an employee of the company. This is particularly true in such areas as executive appraisal and individual counseling. Most companies and most consultants, too, are of the opinion that the full job of executive development should not be turned over to "outsiders," however competent they may be. There are many things that the company can do better than anyone else and the final responsibilities for the program should always remain with the company.

The "Multiple-Management" idea originated at the McCormick Company in Baltimore has been followed in one form or another by many companies. The Multiple-Management plan provides opportunities for likely young men in a company to "show their stuff." If they display initiative and show that they can arrive at sound judgments as members of "Junior Boards," and if they continue to be chosen for mem-

bership on these boards by their peers, management has good evidence that these young men have executive potentials.

The appointment of individuals to committees assigned with the responsibility of studying and reporting on different company problems is a plan of the same nature and one widely used. Such committees are usually established because the company wants a job done, but their values for training are emphasized here.

OTHER PLANS EFFECTIVE

Many companies get their top people together at regular intervals. Luncheon meetings are popular. In other instances the group convenes at the close of the work day, has dinner together, and continues for two or three hours. The group may be called an officer's group, a cabinet, etc., and it may be comprised of a dozen men or as many as one hundred. The president of the company may serve as chairman or the chairmanship may rotate from one officer to another. The purpose of such group meetings usually is to keep everyone informed of company affairs and to discuss common problems. Specialists may be called in on occasions but attendance usually is limited to members of the company's management group.

Another technique for developing executives is known as the understudy plan. Each officer of the company is told that one of his principal jobs is to replace himself. One company has said: "No officer of this company will be promoted until he has developed someone capable of taking his place." If the superior is an able person and if he is a good teacher, the understudy plan may be used quite effectively. A limitation is that the person being trained probably will not gain a broad picture of the company's operations.

An increasing number of companies are encouraging their employees to be active in community affairs. This is good public relations and in addition it provides the company with another measure of an individual's capabilities. More than one company has first noticed one of its employees when he was elected to a school board, when he was made a Red Cross district leader, or the like. The same is true of employees who win recognition in technical and professional societies.

It may be argued with considerable logic that the success of any executive development program depends first of all on the health of the executive. Too many executives today are breaking under the pressure of work and responsibility. Some forward-looking companies have definite programs for safeguarding the health of their employees. Both corrective and positive measures are taken. The latter approach seems to hold much promise. If executives can be taught how to take care of themselves and how to

Some Techniques of Executive Development

1. Job rotation
2. Establishment of trainee positions
3. Advanced management courses at Harvard University and elsewhere
4. Use of consultants
5. Multiple-management plans
6. Committee assignments
7. Management cabinets
8. Understudies; "assistant-to" positions
9. Community leadership
10. Health and fitness programs
11. Merit or performance reviews
12. Visits to other companies
13. Attendance at technical meetings and management conferences
14. Distribution of reading lists, Management Memos, etc.
15. Individual counseling
16. Executive inventories
17. Executive job descriptions
18. Assignment to training department or sales department of company

approach their tasks objectively and without tension, both the individual and the company will be benefited.

Almost all companies speak of the values of merit or performance ratings in executive development. Like any employee, the executive wants and needs to know how he is doing. The importance of talking over the rating, of resolving any differences of opinion which may exist, and of arriving at mutually satisfactory goals is stressed. Valuable experiences are being accumulated by several companies in self-ratings and in multiple ratings by both peers and superiors.

Other techniques commonly used by companies with executive development programs include company visits, the distribution of reading lists, individual counseling programs, the preparation of executive inventories, and written job descriptions. Believing that one of the best ways to learn something is to teach it to others, one company provides an opportunity for each trainee to spend a year in its training department. Another company is of the opinion that every executive should have some selling experience. A third company, both as an efficiency move and as a way of keeping the pressure on executive development, has established the policy that no management position shall remain open more than thirty days.

(Continued on page 152)

When the Company Moves

THEY worked up to four o'clock Friday afternoon in their San Francisco office. The following Monday morning they reported for work in their new office building in New York City, and took up where they had left off, the width of a continent away.

By April 1, 1950, over a ten-month period, approximately three hundred employees had thus been transferred by a company which moved its administrative headquarters from the West Coast to the East Coast. Each employee represented an average family unit of 2.5 persons, so the transfer when concluded had actually meant the moving of some 750 men, women and children, along with their chattels including furniture, automobiles and pets. The minimum of disruption and confusion with which the whole operation was conducted was no accident. Months of careful preparation and planning made everything click.

TRANSFER BY DEPARTMENTS

For expediency in handling, the employees, all office workers, were moved by departments or by sections of departments. Executive management made the transfer first, toward the end of May last year, followed by departments or departmental sections whose operations fitted together. It did not matter much, for instance, whether the pay-roll department was in San Francisco or New York. Its transfer could be fitted in anywhere in the ten-month schedule. The work of part of the accounting and purchasing departments, however, was so interrelated that these two were moved together.

Desk locations at the new headquarters were worked out long before the move, and employees in San Francisco were given floor plans showing where they were to report on Monday morning. As each group arrived in New York, it found its offices completely furnished, even to connection of the telephones.

In its new skyscraper headquarters, the company is using only metal furniture, so it shipped from the West Coast only those furnishings that were of steel construction. New steel furniture was purchased for the offices of the first group transferred. Desks and other furniture that had been used by this group in San Francisco were then moved by motor van and installed in the offices to be occupied by the next group to arrive.

Working files needed by employees and machines that they had to have immediately, such as tabulating machines, were airshipped from San Francisco. They were picked up directly after the close of the

last day's work there and were delivered in New York on Saturday or Sunday, to be ready for use on Monday. Files and other equipment not needed at once were transported by van and delivered within a ten-day period.

WHO WAS MOVED

Generally, all employees in the San Francisco office, down to the lower supervisory levels, were invited to move to New York. This included private secretaries at the supervisory level, but not members of the stenographic pool. There were exceptions made in individual cases. Employees who were not asked to make the transfer and those who decided not to accept the invitation were given severance pay based on length of service with the company and were assisted in locating positions outside the company. About 90% of those who were invited to move accepted.

The company began working on the moving project in the fall of 1948. A coordinating organization appointed by the president was made up of three persons in the San Francisco office and three in the company's New York office. They were placed in complete charge of the moving. While they were members of various departments, there was no tie-in with any one department. They reported directly to the president, with control placed in New York. The members of this consolidating organization held a few meetings initially, but communicated for the most part by telephone, teletype and mail.

In addition to the central coordinating organization, each department head appointed a man who served as departmental coordinator. He worked with the central group in making the arrangements for his own segment.

ANNOUNCEMENT OF PLANS

Plans for the move were announced to employees in February of last year, when employees were given a 66-page booklet entitled, "About Moving to New York." The foreword read, "We realize that moving to New York presents a major problem for you and your family. We sincerely hope that this booklet will answer the questions you have in mind concerning the move. It should be helpful in making plans before you leave San Francisco, and will help make you better acquainted with New York. We are sure that you will find New York, like San Francisco, a pleasant place to live and work."

The booklet contained a photograph of the new

building in New York, followed by a section of questions and answers. "Why are the offices being moved?" was the query answered first, followed by answers to questions regarding how the employee would get to New York and what would happen to him and his family there. Company arrangements for his transportation, moving his furniture and allowances for living costs were explained in detail.

Reproductions of advertisements in San Francisco and New York newspapers for the same date showed comparative food prices, and a chart contrasted California income taxes with those of New York State.

A map of New York City showed the subway system, and maps side by side enabled easy comparison of the San Francisco Bay area and its environs with Greater New York and its immediate surroundings. The remainder of the booklet was made up of descriptions of specific communities in New Jersey, Long Island, Westchester county and Connecticut—the transportation lines and cost of transportation, the availability of housing, and general information on items such as shopping and recreation facilities, schools, hospitals and churches.

CONTROL FORM

A master schedule was prepared which showed just when each department was to move. Each employee filled out what was called an "information and control form." This provided data on the number of the employee's dependents, ages of his children, number of pets, where he lived in San Francisco, and how many rooms of furniture he had to move. The employee also indicated whether he preferred to rent or buy living quarters at the new location and the maximum sum he wished to pay for rent or purchase.

One copy of the control form was kept in San Francisco. The original was sent to New York, to serve there as basis for an order to the moving company to pick up the man's household effects on a certain date. The company considered bids from twenty-two moving companies and eventually selected one in New York because that was where the furniture would be delivered and where it would be easy to determine whether any damage had occurred to employees' property en route.

The moving company agreed to a ten-day delivery schedule. That is, it would deliver the furniture to the employee's residence in the East or to the offices within ten days after picking it up in San Francisco. Another agreement was that all claims for damages would be settled within thirty days. All property was insured en route. Incidentally, the record of claims for damages made by employees whose goods were moved was one of the lowest in the country.

Employees were given the choice of traveling to New York by air or by rail. The company's regular transportation service (a part of the personnel

department) purchased the tickets and forwarded them to the employees. Upon arrival at the airport in New York, they were met by company representatives who escorted them to a hotel previously assigned, there to remain until their furniture arrived.

Occasionally a family was lodged in a San Francisco hotel for two or three days before leaving for the East. It was sometimes more convenient for the movers to pack and start the furniture on its way a day or two ahead. The company provided hotel accommodations from the date the household effects were scheduled for moving. All the employee had to do was decide what he wanted to take and what he wanted to discard. The van company did all the packing.

While the employee and his family were staying in a hotel, either in San Francisco or New York, the company paid the bill for lodging and in addition made an allowance of \$7.50 per person per day for meals and other expenses. There was also a flat-sum contingency allowance, to defray unforeseen personal expenses incidental to the move plus a living allowance for one year to permit the employee to adjust himself in his new environs without suffering financial loss.

Transportation, hotel and the other expenses were paid for all "dependents" of the transferred employee who would live with him in the East. They were defined as those persons who were shown on the employee's income tax returns as dependents. The company listed these on its pay-roll record, for withholding tax computations.

LEASED APARTMENT HOUSE

The company leased an apartment house of 125 units in a suburban community thirty minutes from New York City, to be used primarily as transitional housing for the transferred employees. A few apartments in other locations were also leased. The lease were long term, with a cancellation clause.

Apartments of varied sizes were made available by the company to married employees and also to single employees who had furniture or who wished to buy furniture. Many of the single employees preferred living in furnished apartments or rooms in private dwellings. To help locate such quarters, the company assigned two employees in New York City to pounce upon and follow through on newspaper ads, establish contacts with real estate brokers and get leads from other companies.

The company agreed to pay 30% of the rent charged for the company-leased apartments for a period of six months after the employee moved in. The employee was free to stay a month or for as long as he pleased, but at the end of six months he had to assume full responsibility for the rent, and pay the actual cost of the apartment to the company.

The subsidized rent was well within the salary scale of all the employees who were transferred. The full rent was too high for some, and some others preferred to live in houses. Approximately 50% of those who lived in the subsidized apartments upon arrival have moved out to other quarters, a large proportion of them into homes they have purchased.

Assistance in finding permanent homes was given in four ways: (1) The company provided employees with a weekly list of real estate for sale or rent (2) it furnished them with a list of reliable real estate brokers, who had been investigated by the company, (3) it informed employees of houses for sale or rent that were not listed but which had been heard about through company channels, and (4) it provided them with free legal service once the employee located a place which he wished to buy or rent.

STORAGE OF FURNITURE

Some of those who had had large houses in California and who moved temporarily into apartments had more furniture than would fit in the apartment. Such furniture was moved to New York and stored there at company expense for a maximum period of six months. The company made no contribution toward costs of storing furniture in San Francisco. Quite apart from the convenience of having his goods where he could get at them readily, there was a psychological advantage, it was believed, in having the furniture with the employee rather than at the old location. The severance of old ties would then be more complete.

Employees were urged strongly to have their families move at the same time that they, themselves, did. In special cases families were allowed to move at a later date, but if the employee returned to California to help them, he did so at his own expense.

No company assistance was given in the sale of property owned by the employee in California. As for unexpired leases—if the employee could show that he was actually "out of pocket" as a result of an unexpired lease, the company reimbursed him for his loss. He was required to present a receipt showing the payment. Since all employees knew about the move well in advance, practically all had time to give adequate notice of vacating.

WESTERN ELECTRIC EXPERIENCE

A company that has had considerable experience with moving large groups of employees is the Western Electric Company. Since a transfer of personnel from the Hawthorne Works in Chicago to Kearny, New Jersey, when that plant was started twenty-five years ago, Western Electric has conducted over half a dozen major moves. This experience has led to the development of well-defined company policies regarding the type of employees transferred, the way

in which the moving is carried out and costs borne by the company.

Usually, for instance, only supervisory and technical personnel are transferred, with production and clerical workers hired locally. Ordinarily, the moving is conducted gradually over a period of several months. It is established policy, too, for the company to offer to purchase the employee's home at the old location at its fair market value as established by competent appraisal agencies who are authorized by the company's realty organization to make such appraisals.

BASIC POLICY

The company's policy is to pay expenses incurred as a result of the transfer. While certain practices are uniform, each move that has been made has presented problems that were not common to the others, and working them out resulted in what amounted to a custom-made plan. Company management believes that to obtain the most satisfactory results, there must always be a certain amount of flexibility. Two examples demonstrate the combination of standard company policy and unusual measures to meet specific situations.

A large group of employees transferred recently consisted of more than three hundred administrative and technical workers who were moved from Kearny, New Jersey, to Winston-Salem and Burlington, North Carolina, in 1946-1947. This was when the Radio Shops, a division that manufactured electronic equipment, was relocated in the southern cities.

LINE MEN IN CHARGE

The organization set up to handle the move was in accordance with usual company procedure. Two groups of individuals were assigned to work on the project—one to work with the employees who would not be moved, the second to work with those who were to be transferred. Members of these groups were line men responsible to the head of the organization. They had, however, the staff assistance of the personnel departments of the two plants.

Transfer of each individual was arranged for a definite date. The employee who was to be moved was notified by his immediate supervisor several weeks in advance, if possible. He was told that he could go to North Carolina ahead of his family, and find a room for himself. After he himself was located and working, he would be allowed "a reasonable period" in which to look for quarters for his family. For such a reasonable period before the family was moved, his living expenses would be allowed at cost within reasonable limits, usually established as a per diem or weekly allowance. It was the line supervisor's responsibility to approve the employee's expense ac-

(Continued on page 167)

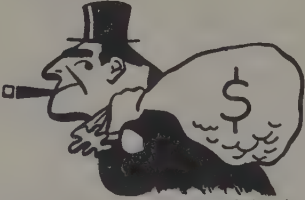







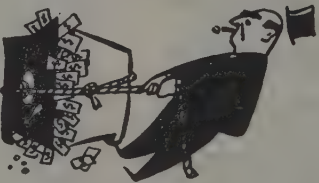

term

myth

fact

Nobody's "shop talk" is harder for the other fellow to understand than the accountant's. Nor does any cause more widespread misun-

derstanding and, therefore, damaged relations. So KEYNOTE picks some of his jargon for a little kidding and, we hope, explanation.

<p>dividend</p>	 <p>huge slug of company cash hauled away by big shots and insiders</p>	 <p>the cost of using somebody else's savings; in 1949 about 3¢ on dollar</p>
<p>depreciation</p>	 <p>five-syllable word invented by brass to kid public about size of profits</p>	 <p>a method of spreading the cost of our equipment over its useful life</p>
<p>assets</p>	 <p>dough, kale, gravy, chips, moola; brass to divvy when nobody looking</p>	 <p>roughly tools, buildings—almost anything we use in our daily jobs</p>
<p>earnings left in business (sometimes called "surplus")</p>	 <p>money left over from profits that nobody can figure what to do with</p>	 <p>funds to finance expansion and improvement of buildings and tools</p>
<p>working capital</p>	 <p>bundle of jack stashed in corner—big shots haven't got around to it</p>	 <p>part of assets, including cash, materials, receivables, less \$ we owe</p>

The above is a reproduction of a page in the March, 1950, issue of *Keynote*, employee publication of the Monroe Calculating Machine Company. This special issue of the magazine is the company's annual report to Monroe employees for the year 1949.

Recently Negotiated Pension Plans

MANY significant developments in the field of negotiated pension plans have occurred during the past month. The Ford Motor Company reached an agreement with the United Automobile Workers, CIO, on several disputed points concerning the funding of the \$100 monthly pensions.

In the original agreement, the Ford Motor Company had agreed to contribute 8.75 cents per man-hour with the further understanding that it would make "contributions from time to time to the pension fund in an amount sufficient, based upon estimates made by a duly qualified actuary, to provide the monthly benefits." The union claimed that the company was obligated to continue payments of 8.75 cents per man-hour during the lifetime of the agreement.

In the supplemental contract dated March 17, 1950, the union agreed to waive its claim for the cents-per-hour contributions. Instead, the company will contribute enough to fund the future-service portion of the plan and to amortize the past-service cost on a level method of funding over a period of not more than thirty years. The funds necessary to meet these obligations are to be determined by a qualified actuary. Provision is also made to revise the method of determining the moneys required to fund the plan in the event that the OASI benefits are liberalized.

NEW PENSION PLANS

A number of well-known companies have proposed or negotiated pension plans with their respective unions. These plans are much more varied than the steel agreements. In some cases, such as the agreement of the Textile Workers Union of America, CIO, with three leading carpet manufacturers, the broad general principles of the \$100-a-month pension are outlined in a memorandum. Each company is to work out the details of the plan with the union.

Several companies have liberalized their existing plans, mainly for the purpose of providing a minimum pension. The Consolidated Edison Company of New York is providing a minimum pension of \$125 a month, less Social Security. The B. F. Goodrich Company is also providing a minimum pension ranging from \$100 to \$125 a month, depending upon the length of participation in the plan.

The tabulation on pages 140 and 141 gives the main provisions of eight recently adopted or revised pension plans. Several of these plans have been proposed by the company to the unions with which they have

contracts but have not been accepted by all the unions involved.

PENSION FORMULAS

Six of the eight plans relate the amount of the pension to the worker's earnings and length of service, although in every case there is provision for a minimum pension for long-service employees. The OASI benefits are deducted from this minimum. Disability pensions are provided in the majority of these plans.

These newly negotiated plans contain much more detailed provisions regarding the retirement of workers. They stipulate a normal retirement age of sixty-five although some of them permit the workers to continue on the pay roll until age sixty-eight or seventy, if they are able to perform their tasks satisfactorily. These plans also permit early retirement, but most of them reduce the amount of the pension actuarially rather than proportionately if the employee retires prior to the normal retirement date.

None of these plans provides for union participation in the over-all administration of the plan or the fund. Under some of these plans, however, a joint management union committee is created to handle individual grievances. Under others, the grievance procedure under the union contract is brought into play in case of dispute over the application of the plan. Six of the eight plans provide that funds shall be deposited in a trust. Two are funded through a group annuity contract.

EMPLOYEE CONTRIBUTIONS

Two of the eight plans provide for employee contributions. The plan of the B. F. Goodrich Company, which has been revised, requires employee contributions of 2.5% of the first \$3,000 and 5% of amounts above that. The revised plan of the Westinghouse Air Brake Company specifies that to obtain the minimum pension of \$125 a month, the employees must contribute under the original group annuity plan. If the employee is not already contributing under the plan, he may make retroactive payments spread over a period of years to make up the contributions during the time he was eligible to participate but did not.

The plan provides for a minimum monthly pension of \$125. From this is deducted the OASI benefit as well as the amounts an employee would receive under the contributory plan. Even though an employee

(Text continued on page 168)

MAIN PROVISIONS OF RECENTLY ANNOUNCED PENSION PLANS

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
Allis-Chalmers Manufacturing Company Proposed pension plan; to run for five years	Employer pays entire cost Plan for hourly union employees within collective bargaining units	\$100 a month at age 65 with 25 years' service; deduct Social Security as monthly effect or as amended. Proportionately less if under 25 years' service. If retirement at age 60 with 25 years' service, benefit actuarially reduced. Minimum benefit retroactive for employees who retired after Dec. 1, 1942. If employee retires under plan prior to 5 years after effective date, entitled to receive pension for life	25 years' service, age 55, \$50 a month, less any benefits under government acts No vesting rights	Normal retirement age 65 with 25 years' service. Compulsory retirement at age 68. Early retirement at age 60 and 25 years' service. Employees 67 years of age and over need not retire prior to one year after effective date of plan. Employee with 10 years' service who would receive pension of less than \$75 a month need not retire before two years	Company shall administer plan. Joint Administrative Review Board, 3 members each from company and union, may question any application of plan. Questions subject to arbitration if agreement cannot be reached within 2 weeks. Impartial referee appointed by board	Trust fund, on actuarial basis
Bigelow-Sanford Carpet Co., A. & M. Karaghesian, Inc., and Alexander Smith Carpet Company Memorandum of agreement with Textile Workers Union of America, CIO, on 3-17-50 Effective date of plan 1-1-51 to 12-31-55 with reopening on 1-1-53 for disability pensions only	Employer pays entire cost Details of eligibility shall be worked out by each company with union	\$100 a month at age 65 with 30 years' service; deduct Social Security as now in effect or as amended and any pension that may be provided by state legislation and any other pension as a result of company contributions. Proportionately less if under 30 years' and over 20 years' service. If retirement between ages 60 and 65 with 20 years' service, benefit actuarially reduced.	Agreement may be reopened on 1-1-53 to discuss inclusion of disability benefits, but not subject to arbitration No vesting rights	Discretionary retirement from age 65 to 68. Compulsory retirement at age 68 unless management and union agree to postpone it. Employee will accumulate service until age 72. Disputes on retirement subject to arbitration. Automatic retirement at 72 unless company agrees to defer	Each company shall formulate own procedure and it shall be agreed upon by union Each company shall select its own method and assume complete obligations thereunder	Each com-
Consolidated Edison Company of America, CIO Amended plan effective 4-1-50 Revises existing company pension plan	Employer pays entire cost Eligibility requirements: Men, age 65 with 10 years' service; women, age 60 with 15 years' service	Annual pension 2% of average straight-time earnings times years of service. Minimum years covered, 30. Minimum, \$125 a month with 30 years' service or \$100 with 25 years' service plus \$5 a month for each additional year up to 30 years. Men with 10 years and women with 15 years' service get \$4 per month for each year of service if they have completed less than 25 years. Deduct Social Security Retroactive for employees now on pension roll Annual pension 7/8 of 1% of total earnings on list \$3,000 a year plus 1 1/4% of excess. If \$3,000 level is amended under Social Security, plan will be amended accordingly Supplementary pension: For employee hired prior to 1-1-38 retirement income base shall be 1.5% of average monthly earnings from 1-1-38 to retirement times years of service up to 20 years; .75% over 20 years. Deduct half Social Security and any pension that was or could have been purchased for him under normal formula since 1-1-38 Minimum age 65, 25 years' service, varies from \$100 to \$125 depending on date worker joined the plan. Over 15 years work less than 25 years' service, deduct \$4 a month for each year less than 25. Deduct Social Security, supplementary pension, and monthly annuity	Disability pensions at discretion of board of directors Minimum, \$50 a month. When age 65 reached (women age 60) normal minimum pension applies	Normal retirement age 65 for men, age 60 for women Early retirement, age 55 after 35 years' service	(Not in memorandum of agreement)	(Not in memorandum of agreement)
B. F. Goodrich Company and United Rubber Workers, CIO Agreement liberalizing present company annuity plan	Employee contributes 2.5% of 1st \$3,000 a year, 5% of excess. (Members of 1934-38 plan contribute 2% and 4%) Eligibility requirements: 1 year's service, under age 65		Vesting: Prior to 10 years' service, employee receives his contributions plus interest or paid-up annuity based on his contributions. Agreement does not state rights after 10 years' service	Normal retirement age 65	(Company administers plan)	(Group annuity)

MAIN PROVISIONS OF RECENTLY ANNOUNCED PENSION PLANS—Continued

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
Goodyear Tire & Rubber Company and United Rubber Workers, CIO Agreement dated 2-5-50 Plan effective 4-1-50 Company to continue plan to 4-1-52 If no notice of termination to union then may be continued. Union reopening 4-1-55	Employer pays entire cost Eligibility require- ments: age 65 with 15 years' service. Employee may accu- mulate service to age 68	Annual pension, 1% of aggregate earnings including overtime and bonuses up to age 68. Minimum, \$100 a month after with 25 years' service, proportionately less if 15 to 25 years' service. If retired at age 55 with 20 years' service, benefit ac- tuarily reduced. Deduct other pen- sions paid by employer and Social Security. If Social Security is increased deduct half Social Security or in same ratio as employer contributions bear to employee's	Normal pension for- mula applies. Mini- mum, \$50 a month after 15 years' ser- vice. Deduct work- men's compensation or any benefits under future state or fed- eral laws No vesting rights	Discretionary retire- ment age 65 to 68. No compulsory retire- ment age but eligible employee may be re- tired by employer when he is no longer able to do his job or transfer to another Early retirement, age 55, 20 years' service	Pension Board ap- pointed by company administrators plan. Questions subject to grievance procedure and arbitration	On actuarial basis, meth- od of funding to be deter- mined by employer
Intertype Corporation and United Automobile Workers, CIO Date of agreement 2-14-50 Effective date of plan 7-1-50 to 7-1-53 Employer may reopen in 7-1-53, but if he wishes to continue plan, no reopening until 7-1-55	Employer pays entire cost until 7-1-53 Employer contribu- tions not less than 6 cents for each man- hour worked includ- ing overtime Eligibility require- ments: Hourly em- ployees in bargaining unit with 15 years' service	Future service: 1% of average annual total earnings times years of service, to age 68 or retirement, whichever occurs first Past service, 1% of annual compensation times years of service exclusive of over- time but including average hourly pre- mium rate, based on 13-week period, preceding 1-1-50 Minimum \$100 a month after 30 years' service, proportionately less for 15 to 30 years' service. Deduct Social Security	None	Discretionary retire- ment age 65 to 68 or 15 years' service, whichever is later. Compulsory retire- ment at age 68; may remain with consent of management	Board of directors or agency appointed by them administers over-all policies and plan. Changes in rules and regulations sub- ject to joint pension board of 3 each from company and union Subject to arbitration if company and union cannot agree	At discretion of board of directors. Future serv- ice costs on basis of ac- tuarial cal- culations. past service amortized within 40 years. Trust fund
Westinghouse Air Brake Company and United Electrical Workers Agreement dated 2-10-50 Not subject to reopening until 5-24-55 Revises existing company annuity plan	Employer pays entire cost of supplemental pension Eligibility require- ments: All partici- pants in company contributory plan or who make retroactive payments and elect to join before 7-1-50. If less than 90% of eligible employees participate, company may discontinue existing pension plan and/or reduce mini- mum pension to \$100 a month. Employee must notify company in writing of his elec- tion to purchase re- troactive member- ship by 7-1-50	Company's contributory group annuity plan is supplemented by minimum pen- sions of \$125 a month at age 65 with 25 years' service. Deduct Social Security and company's pension. If employee did not participate to fullest extent in company plan then amounts will be deducted for portions in which he did not participate. Deduct severance pay	Retroactive member- ship in contributory pension plan shall not vest until after ten years	Normal retirement at age 65 after 25 years' service. Early retire- ment permitted un- der company's group annuity plan	(Not in supplemental agreement)	Basic plan— group annu- ity. Mini- mum pen- sion paid from com- pany's earn- ings or from pension fund
Weyerhaeuser Timber Company and Brotherhood of Paper Makers, AFL, and Pulp, Sulphite and Paper Mill Workers, AFL (Approved by two unions) Effective date of plan 1-1-50 to 6-1-51 Company may terminate plan at any time	Employer pays entire cost Eligibility require- ments: Full-time hourly employees with company on 1-1-50. After 1-1-50 employees who join must be under age 55	Annual pension 1.5% of average basic earnings during last 10 years multiplied by years of service, but not in excess of 40% of average monthly earnings. Deduct Social Security, but company shall pay at least \$10 a month. Service counted up to age 65 only, regardless of retirement age. Early retirement, bene- fit actuarially reduced, but minimum not less than \$10 a month	Normal pension for- mula. Given after 10 years' service if totally disabled No vesting rights	Normal retirement at age 65 with 10 years' service. Employees in service on 1-1-50 and age 60, normal retirement at age 70; employees between ages 55-60 on 1-1-50 re-remain in 1960. May re-remain after 65 with directors but compul- sory at age 70. Early retirement, age 60 with 20 years' service. At company's request, age 65, 10 years' service	Retirement committee appointed by board of directors to ad- minister the plan. Dif- ferences not subject to grievance pro- cedure	Contributions determined by board of directors. Trust fund

Anonymous Help for the Alcoholic¹

HANGOVER HARRY knows that he has to choose between his job and alcoholism if he is employed at the E. I. du Pont de Nemours and Company. But "if he really wants to work and will cooperate," said Dr. G. H. Gehrmann, medical director, "the company will make every effort to help him stop drinking."

DuPont has long recognized alcoholism as a disease. Medical department personnel have always counseled and tried to rehabilitate problem drinkers. The rehabilitation program has been carried on by a member of Alcoholics Anonymous who was added to the medical division staff.

AA PROGRAM INTRODUCED

The program set up by the AA counselor consists of two parts—establishing AA units for alcoholic employees and helping all company personnel (including executives, supervisors, office personnel and hourly workers) through lectures and counseling to understand the problems of alcoholism. This educational program helps employees to recognize alcoholism as a disease and to seek early treatment. It also encourages supervisors to report cases of alcoholism to the medical department promptly instead of trying to "cover up" for them.

The first duPont AA unit was located in Wilmington, Delaware, the company's home base. At that time all alcoholic employees were interviewed by medical department personnel. Their drinking problems were discussed in detail and they were urged to attend a meeting of the local AA. This did not mean that the men were required to become active members of the group. Problem drinkers are always free to choose the type of treatment they prefer provided they are sincere in seeking help and the plan is constructive.

PROBATION PERIOD SET UP

Each alcoholic is given three months to show the medical department that he is really trying to stop drinking. Unless he does something to solve his problem during that time he will lose his job. This rule applies to all employees regardless of job level or length of service.

During the probation period the alcoholic is asked to report to the medical department for frequent consultations. This practice gives medical personnel a

¹This is the second article on help for alcoholic employees. The first article, "Help for the Alcoholic Worker," appeared in *The Management Record*, March, 1950.

chance to study the individual's progress and to give him encouragement during difficult periods of rehabilitation.

Final disposition of cases is in the hands of the company medical director. Based upon the individual's progress in controlling his disease and his attitude toward his problem, the physician recommends continued employment with or without additional counseling (depending upon extent of recovery) or discharge.

LEAVE OF ABSENCE ALLOWED

Problem drinkers are allowed a leave of absence without pay if it is requested and required for treatment. Long experience in the handling of alcoholics has convinced the company that absence with pay tends to give the inebriate a false sense of security and therefore retards his recovery.

The company's AA program has been in operation for six and a half years. More than sixty AA groups have been set up in various company locations. Employee records show that they have been successful in rehabilitating 65% of the company's problem drinkers.

Participation in the program requires no membership or other commitments. The only requisites are recognition of the condition as an illness and a sincere desire on the part of the alcoholic to stop drinking.

TWELVE STEPS TO RECOVERY

Members of Alcoholics Anonymous help each other to get well. They understand the problems of drinking because they are recovered alcoholics. To reach their goals, AA members draw upon the various resources of medicine, psychiatry and religion as well as their own drinking and rehabilitation experiences. They attribute their ability to help others to the following "Twelve Steps to Recovery."¹ These they describe as follows:

"1. We admitted we were powerless over alcohol—that our lives have become unmanageable.

"2. Came to believe that a Power greater than ourselves could restore us to sanity.

"3. Made a decision to turn our will and our lives over to the care of God as we understood Him.

"4. Made a searching and fearless moral inventory of ourselves.

¹"Alcoholics Anonymous," Works Publishing, Inc., New York City, 1939.

(Continued on page 168)

Salesmen's Earnings Dip Slightly

SALESMEN'S earnings in 1949 failed again to keep pace with the rise in earnings of hourly workers. In fact, while hourly earnings were higher than ever before at the start of 1950,¹ salesmen's earnings suffered a slight setback, according to a survey by THE CONFERENCE BOARD of 238 manufacturing companies. The median figure² for "average" salesmen's earnings in 1949 was \$5,831, a 3.2% decrease from the 1948 survey median³ of \$6,023.

Evidence of the decline is also seen in Table 2. Earnings of salesmen in almost 60% of the companies in last year's survey were increased over the previous year. But only 47.1% of these companies show corresponding increases in 1949. Whereas 27.2% of the companies in last year's survey showed decreases from salesmen's 1947 earnings, this year 34.9% show a decrease. Not only are fewer increases noted, but the amount of increase earned by the average salesman in 1949 was somewhat lower than he received in 1948.

AUTO MILEAGE ALLOWANCES RISE

In contrast to the dip in earnings, automobile mileage allowances continue to increase. While the percentage of companies paying six cents and seven cents a mile was the same in 1949 as in 1948, fewer companies are now found in the five-cent-a-mile rate, and more in the eight-cent rate. No significant change is noted in the method of paying for automobile mileage. (See Table 5.)

EARNINGS IN KEY INDUSTRIES

The middle 50% of the earning range in each industrial group is shown in the accompanying chart. A comparison of this chart with the corresponding one in

¹See "Earnings at All-time High," *The Management Record*, March, 1950, p. 110.

²Reduction of salesmen's earnings to a median figure overlooks many of the complex factors which account for the wide range in salesmen's salaries, commissions and bonuses. The median serves primarily as a base against which to measure successive changes. In order to establish some point at which salesmen's earnings might be compared, it was felt that "average earnings" would be more significant if they represented amounts earned by "average" salesmen rather than if they were pure statistical measurements.

³See "Salesmen's Earning Pace Slackens," *The Management Record*, March, 1949, p. 104.

last year's survey shows that the biggest increases in the earnings of average salesmen occurred in the building materials and automobile industries. The largest decreases are found in the machinery, textile, food and chemical, drugs and dyes industries for this period.

When compared with last year's figures the middle 50% of the figures for all industries shows a decrease of 2.7% at the low end of the range and a decrease of 3.8% at the high end of the range.

TURNOVER RATES

No significant change took place in the turnover rates for sales personnel in 1949 as compared to 1948.

Annual Earnings of "Average" Salesmen, 235 United States Companies, 1949

Source: THE CONFERENCE BOARD
Middle 50%, in Dollars

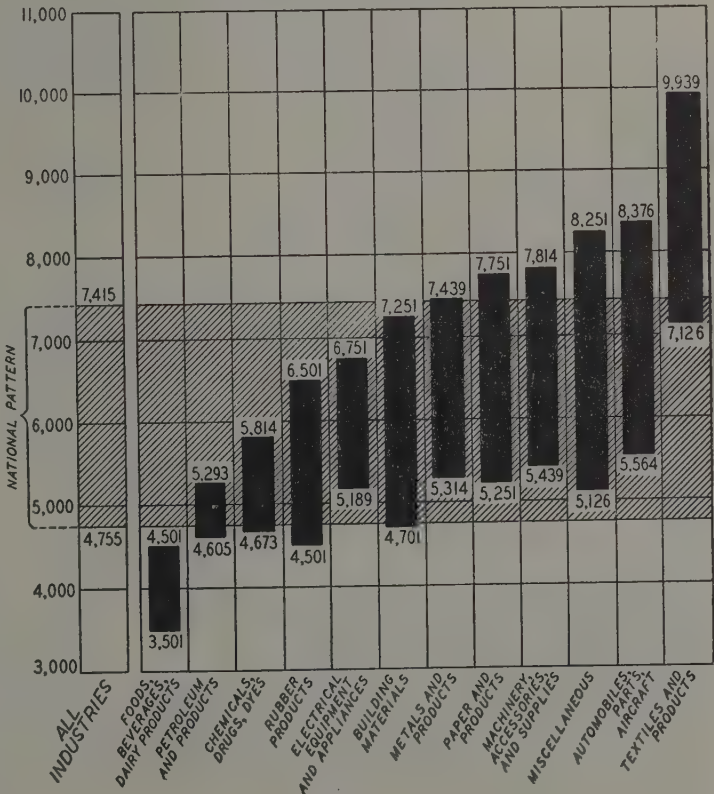


TABLE 1: TOTAL ANNUAL EARNINGS OF "AVERAGE" SALESMEN¹

Annual Earnings	Total		Autos, Parts, Aircraft	Building Materials	Chemicals, Drugs, Dyes	Electrical Equipment and Appliances	Foods, Beverages, Dairy Products	Machinery, Accessories, Supplies	Metals and Products	Paper and Products	Petroleum and Products	Rubber Products	Textiles and Products	Miscellaneous
	No. of Companies	% of Total												
Total companies.....	235	100.0	14	20	19	18	25	31	30	20	13	9	17	22
\$2,501-\$3,000.....	2	.9	...	...	...	1	...	...	...	...	...	...	...	1
3,001- 3,500.....	6	2.6	...	...	...	6	...	...	...	...	...	...	...	...
3,501- 4,000.....	9	3.8	...	...	...	1	5	...	1	1	...	...	...	1
4,001- 4,500.....	26	11.1	...	3	2	1	7	4	2	2	2	2	...	1
4,501- 5,000.....	31	13.2	1	5	8	...	1	2	2	1	6	3	...	2
5,001- 5,500.....	27	11.5	2	3	3	4	2	2	4	2	3	...	...	2
5,501- 6,000.....	25	10.6	2	...	2	2	2	8	3	2	2	...	...	2
6,001- 6,500.....	17	7.2	...	2	...	2	...	4	2	1	...	1	3	2
6,501- 7,000.....	20	8.5	3	1	2	5	...	5	2	...	...	1	1	...
7,001- 7,500.....	16	6.8	...	2	1	...	...	2	4	3	...	...	1	3
7,501- 8,000.....	14	6.0	1	2	...	...	1	2	3	2	...	...	1	2
8,001- 8,500.....	8	3.4	1	1	1	...	...	1	1	...	...	1	1	1
8,501- 9,000.....	11	4.7	2	1	...	2	...	1	1	1	...	...	3	...
9,001- 9,500.....	2	.9	...	...	...	...	...	...	1	...	...	...	1	...
9,501-10,000.....	8	2.6	1	...	...	...	...	1	2	...	...	...	2	...
10,001-12,500.....	9	3.8	...	...	...	...	...	3	2	...	...	...	2	2
12,501-15,000.....	2	.9	...	...	...	...	...	1	...	...	...	...	...	1
15,001-17,500.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...
17,501-20,000.....	3	1.3	...	...	...	...	...	...	...	...	...	...	2	1
20,001-25,000.....	1	.4	...	...	...	...	...	...	...	...	...	...	...	1
Not shown.....	3	...	1	...	...	...	1	...	...	...	...	1	...	...

¹Earnings in this table show total income regardless of compensation method. They cover salesmen paid on a straight salary as well as on salary plus incentive and straight commission.

TABLE 2: TOTAL EARNINGS IN 1949 COMPARED WITH 1948

Change	Total		Autos, Parts, Aircraft	Building Materials	Chemicals, Drugs, Dyes	Electrical Equipment and Appliances	Foods, Beverages, Dairy Products	Machinery, Accessories, Supplies	Metals and Products	Paper and Products	Petroleum and Products	Rubber Products	Textiles and Products	Miscellaneous
	No. of Companies	% of Total												
Total companies.....	238	...	14	20	19	18	25	31	30	20	13	9	17	22
Increase.....	81	47.1	6	10	11	7	7	6	8	8	5	4	5	4
No difference.....	31	18.0	1	3	2	1	1	2	6	4	6	...	2	3
Decrease.....	60	34.9	4	2	2	4	8	6	10	5	2	3	6	8
No comparison possible.....	66	...	3	5	4	6	9	17	6	3	...	2	4	7
% increase: (81 companies)														
1- 5%.....	33	40.7	1	4	6	...	4	3	3	2	4	2	3	1
6-10.....	20	24.7	1	1	4	2	2	1	3	3	1	...	1	1
11-15.....	11	13.6	2	2	1	3	1	...	1	...	...	...	...	1
16-20.....	10	12.3	1	2	...	1	...	2	...	1	...	2	1	...
21-25.....	2	2.5	...	1	...	...	...	...	1	...	...	...	...	...
26-33 1/3.....	3	3.7	...	...	...	1	...	...	2	...	...	...	...	...
34-50.....	2	2.5	1	...	...	...	...	...	...	...	...	...	...	1
51-75.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...
76-100.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...
% decrease: (60 companies)														
1- 5%.....	16	26.7	...	1	1	2	5	1	2	1	1	1	...	1
6-10.....	15	25.0	3	...	...	...	1	1	2	1	1	1	1	4
11-15.....	12	20.0	...	...	...	...	1	2	2	1	...	1	2	3
16-20.....	7	11.7	...	1	...	1	...	1	1	2	...	...	1	...
21-25.....	3	5.0	1	...	...	...	...	1	1	...	...	...	...	...
26-33 1/3.....	2	3.3	...	...	...	1	...	...	...	...	...	...	1	...
34-50.....	5	8.3	...	...	1	...	1	...	2	...	...	...	1	...

The average separation rate was 17.6% (that is, 17.6 separations per year for each 100 salesmen employed). The average accession rate was 19.5%.¹

In 1949, more companies stated that their turnover rates were normal, 61.8% commenting to that effect in this survey, in contrast with only 53.1% in last

¹Both of these rates were computed after eliminating the figures supplied by one company with unusually high rates. Inclusion of the company's figures would have almost doubled the rate.

year's survey. Following a pattern noted last year, low sales personnel turnover rates are found in building materials, metals, paper and textiles; high turnover is again noted in the food industry. The machinery industry also reports high turnover rates in this survey.

Figures obtained from the survey but not shown in the accompanying tables include distribution of types

TABLE 3: SALARY RANGES FOR "AVERAGE" SALESMEN PAID WHOLLY ON A SALARY BASIS

Annual Earnings ¹	Total		Autos, Parts, Air- craft	Building Mate- rials	Chem- icals, Drugs, Dyes	Electrical Equip- ment and Ap- pliances	Foods, Bever- ages, Dairy Products	Machin- ery, Ac- cessories, Supplies	Metals and Products	Paper and Products	Petro- leum and Products	Rubber Products	Textiles and Products	Miscel- laneous
	No. of Compa- nies	% of Total												
Total companies.....	80	100.0	5	9	7	3	8	6	12	12	9	2	...	8
\$2,501-\$3,000.....	1	1.3	...	...	...	...	...	...	...	...	...	...	...	1
3,001- 3,500.....	3	3.8	...	...	...	...	3	...	...	...	...	...	...	...
3,501- 4,000.....	5	6.3	...	...	...	...	2	...	1	1	...	...	...	1
4,001- 4,500.....	14	17.5	...	3	1	...	2	3	1	1	1	1	...	1
4,501- 5,000.....	17	21.3	...	3	4	...	...	1	1	1	5	1	...	1
5,001- 5,500.....	10	12.5	1	2	1	1	...	...	1	2	2	...	...	...
5,501- 6,000.....	9	11.3	1	...	1	...	...	1	1	2	1	...	...	2
6,001- 6,500.....	4	5.0	...	1	...	...	...	...	1	1	...	...	...	1
6,501- 7,000.....	4	5.0	...	...	...	2	...	...	2	...	...	...	...	...
7,001- 7,500.....	4	5.0	...	...	...	...	...	...	2	1	...	...	...	1
7,501- 8,000.....	3	3.8	...	...	...	...	...	...	2	1	...	...	...	...
8,001- 9,000.....	3	3.8	2	...	...	...	...	...	...	1	...	...	...	...
9,001-10,000.....	2	2.5	1	...	...	...	...	...	...	1	...	...	...	...
Over \$10,000.....	1	1.3	...	...	...	...	...	1	...	...	...	...	...	...
Not shown.....	1	...	...	...	...	...	1	...	...	...	...	...	...	...

¹Range, middle 50%, \$4,394-\$6,126.

TABLE 4: COMMISSION RANGES FOR "AVERAGE" SALESMEN PAID WHOLLY ON STRAIGHT COMMISSION

Annual Earnings ¹	Total		Autos, Parts, Air- craft	Building Mate- rials	Chem- icals, Drugs, Dyes	Electrical Equip- ment and Ap- pliances	Foods, Bever- ages, Dairy Products	Machin- ery, Ac- cessories, Supplies	Metals and Products	Paper and Products	Petro- leum and Products	Rubber Products	Textiles and Products	Miscel- laneous
	No. of Compa- nies	% of Total												
Total companies.....	26	100.0	...	...	1	2	2	6	1	2	1	1	6	4
\$2,000-\$3,000.....	1	3.8	...	...	...	1	...	...	...	...	...	...	...	...
3,001- 4,000.....	2	7.7	...	...	...	1	1	...	...	...	...	...	...	...
4,001- 5,000.....	3	11.5	...	...	...	...	...	2	...	...	1	...	...	...
5,001- 6,000.....	1	3.8	...	...	...	...	...	1	...	...	...	...	...	...
6,001- 7,000.....	1	3.8	...	...	...	...	...	...	...	...	...	...	1	...
7,001- 8,000.....	6	23.1	...	...	1	...	1	1	...	2	...	...	...	1
8,001- 9,000.....	4	15.4	...	...	...	...	...	1	...	...	...	1	2	...
9,001-10,000.....	2	7.7	...	...	...	...	...	1	...	...	...	...	1	...
10,001-12,500.....	3	11.5	...	...	...	...	...	...	1	...	...	...	1	1
12,501-15,000.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...
15,001-20,000.....	2	7.7	...	...	...	...	...	...	...	...	...	...	1	1
Over \$20,000.....	1	3.8	...	...	...	...	...	...	...	...	...	...	...	1
Company pays expenses too: (26 companies)														
Yes.....	5	19.2	...	...	...	...	...	2	...	1	1	...	1	...
No.....	19	73.1	...	...	1	2	2	4	1	...	...	1	4	4
Company pays part.....	2	7.7	...	...	...	...	...	...	...	1	...	...	1	...

¹Range, middle 50%, \$5,501-\$9,751.

TABLE 5: METHOD AND RATE OF PAYMENT OF AUTOMOBILE MILEAGE ALLOWANCES

Method	Total		Autos, Parts, Air- craft	Building Mate- rials	Chem- icals, Drugs, Dyes	Electrical Equip- ment and Ap- pliances	Foods, Bever- ages, Dairy Products	Machin- ery, Ac- cessories, Supplies	Metals and Products	Paper and Products	Petro- leum and Products	Rubber Products	Textiles and Products	Miscel- laneous
	No. of Compa- nies	% of Total												
Total companies.....	236	100.0	14	20	19	18	25	31	30	20	13	9	17	22
Flat rate per mile.....	84	35.6	7	6	4	6	3	16	14	7	2	3	7	9
Graduated allowance.....	24	10.2	3	...	1	3	5	3	1	1	5	...	...	2
Combination allowance.....	34	14.4	...	1	5	4	4	1	6	5	2	1	2	3
Other.....	21	8.9	3	...	2	1	2	1	2	5	...	2	1	2
Mileage not paid because:														
Use company cars.....	47	19.9	1	13	2	2	8	4	5	2	4	2	2	2
Use rented cars.....	5	2.1	...	...	3	...	1	1	...	...	...	...	...	...
Salesmen pay own expense..	20	8.5	...	...	1	2	2	5	1	...	...	1	4	4
Don't use cars.....	1	.4	...	...	...	...	...	...	...	...	...	...	1	...
Flat allowance rate (in cents).	84	100.0	7	6	4	6	3	16	14	7	2	3	7	9
5.....	9	10.7	1	2	...	...	1	1	2	...	1	...	...	1
5.5.....	1	1.2	...	...	1	...	...	...	...	...	...	...	...	...
6.....	34	40.5	2	2	2	4	...	8	7	3	...	1	2	3
6.25.....	1	1.2	...	...	...	...	...	1	...	...	...	...	...	...
6.5.....	7	8.3	1	1	...	1	...	1	2	...	...	...	...	1
7.....	20	23.8	2	...	...	1	...	3	2	2	1	2	4	3
7.5.....	1	1.2	...	...	...	...	...	...	1	...	...	...	...	...
8.....	8	9.5	1	...	1	...	1	2	...	1	...	...	1	1
8.5 or more.....	1	1.2	...	...	...	...	...	...	...	1	...	...	...	...
Varies.....	2	2.4	...	1	...	...	1	...	...	...	...	...	...	...

TABLE 6: TURNOVER RATES FOR SALESMEN

Rate (per 100 Salesmen)	Total		Autos, Parts, Air- craft	Building Mate- rials	Chem- icals, Drugs, Dyes	Electrical Equip- ment and Ap- pliances	Foods, Bever- ages, Dairy Products	Machin- ery, Ac- cessories, Supplies	Metals and Products	Paper and Products	Petro- leum and Products	Rubber Products	Textiles and Products	Miscel- laneous
	No. of Com- panies	% of Total												
Total companies.....	222	100.0	14	20	19	18	25	31	30	20	13	9	17	22
Separation rate:														
No separations.....	48	21.6	4	3	2	6	...	7	4	5	2	1	7	7
5 or less.....	35	15.8	1	2	4	2	2	3	10	3	1	...	4	3
6- 10.....	50	22.5	1	9	3	3	2	3	7	9	7	2	1	3
11- 15.....	25	11.3	1	4	4	1	3	2	3	...	...	1	2	4
16- 20.....	27	12.2	1	1	3	1	5	5	4	2	1	2	1	1
21- 25.....	11	5.0	...	...	2	1	3	2	...	...	...	1	1	1
26- 33 1/3.....	9	4.1	...	...	...	...	3	2	2	...	...	1	...	1
34- 50.....	13	5.9	2	...	...	1	4	3	...	...	...	1	1	1
51- 75.....	2	.9	...	...	...	1	...	1	...	...	...	...	...	...
76-100.....	1	.5	1	...	...	...	...	...	...	...	...	...	...	...
Over 100%.....	1	.5	...	...	...	1	...	...	...	...	...	...	...	...
Not shown.....	16	...	3	1	1	1	3	3	...	1	2	...	...	1
Accession rate:														
No accessions.....	37	16.7	3	1	1	4	...	9	5	2	2	1	5	4
5 or less.....	20	9.0	...	2	2	1	1	2	5	...	1	1	3	2
6- 10.....	41	18.5	1	4	2	2	4	2	8	7	6	...	3	2
11- 15.....	46	20.7	2	8	7	2	5	2	5	3	2	1	4	5
16- 20.....	25	11.3	1	3	4	...	...	5	4	2	...	2	2	2
21- 25.....	13	5.9	...	1	...	2	1	2	1	2	...	1	...	3
26- 33 1/3.....	16	7.2	2	...	1	1	5	3	1	...	...	1	...	2
34- 50.....	16	7.2	1	...	1	2	3	3	1	2	...	2	...	1
51- 75.....	6	2.7	1	...	...	1	3	...	...	1	...	...	...	...
76-100.....	1	.5	...	...	...	1	...	...	...	...	...	...	...	...
Over 100%.....	1	.5	...	...	...	1	...	...	...	...	...	...	...	...
Not shown.....	16	...	3	1	1	1	3	3	...	1	2	...	...	1
Comments on turnover rate:														
Above normal.....	55	25.3	2	4	5	1	7	9	7	5	1	3	5	6
Normal.....	134	61.8	7	13	11	14	14	15	17	9	10	5	8	11
Below normal.....	28	12.9	3	2	2	2	2	4	3	5	...	1	1	3
Not shown.....	21	...	2	1	1	1	2	3	3	1	2	...	3	2

of compensation plans now in effect in the cooperating companies, salary ranges of "average" salesmen on a salary-plus-incentive basis, commission earning ranges of "average" salesmen on salary plus commission, and bonus earnings of "average" salesmen on salary plus bonus. Also available are ranges of mileage rates

paid by companies using combination flat-rate-per-mile and fixed monthly allowances, and graduated rates. The figures will be sent to any of the Board's Associates who request them.

ELMER W. EARL, JR.
Division of Personnel Administration

Courting Good Human Relations

Over 1,200 employees were in the courtroom. Honorable Judge John Q. Public Opinion presided. The case of "The Public and all conscientious Union Electric people versus Tillie Teller, Adalbert Adjuster, Terry Troubleman, Samuel Salesman, Malcolm Meter Reader and all others who have neglected to use the principles of good human relations when transacting business with customers" was under way.

These court trials of the "Court of Human Relations" are the latest phase of a continuous human relations education program conducted by the Union Electric Company of Missouri.

"Defendants" at the trial are employees who have committed "crimes" against good human relations.

After a reading of the indictments, each defendant's crime is dramatized and reenacted for the court on a stage erected adjacent to the witness stand. The testimony of Malcolm Meter Reader for example, traced his experiences with Mr. and Mrs. Bill Payer. When pieced together, the testimony revealed a whole chain of human relations violations made by Malcolm in his dealings with a customer.

At the close of the trials, officials of the Union Electric Company expressed the hope that the courtroom sessions would remind all employees of the importance of good human relations not only with customers, but with fellow employees and other people in general.

Trends in Labor Relations

Sweating Out the Hiatus

How do you handle the official 30-day "stand-still" period between issuance of the NLRB order for a new certification election and the date of election? Former UE contract holders find this problem especially pressing. Their UE contracts expired early in March or April. They could not simply renew their contracts, however, because of the fight between the CIO-expelled United Electrical Workers and the new right-wing union, the International Union of Electrical Workers, CIO. A large number were faced with the question of which union represented their workers. To answer this question, either they, or one or both of the unions, went to the National Labor Relations Board. After hearings the board ordered a new certification election.

With this NLRB order comes a 30-day hiatus in the employer's labor relations. He cannot extend aid or recognition to either one of the contesting parties; yet he is faced with the necessity of carrying on the day-to-day relationship of grievance handling.

To meet this problem one eastern manufacturer sent out to all his employees' homes this notice:

"1. We have received a decision from the National Labor Relations Board dated March, 1950, which directs that there shall be an election by secret ballot in order to determine whether our employees, in the appropriate bargaining units, desire to be represented for purposes of collective bargaining by International Union of Electrical, Radio and Machine Workers, CIO, Local —, or by United Electrical, Radio and Machine Workers of America, Local —, or by neither. This election, under the order of the board, will be held within thirty days from the date of such order. The exact date on which the election will be held has not yet been fixed, but appropriate notice will be forwarded in adequate time.

"2. In line with our policy of complete neutrality in the conflict between IUE, CIO and UE and insofar as the choice of a collective bargaining representative by our employees is concerned, we have advised representatives of the two unions involved as to the following procedure, effective immediately, pending such election:

"a. Stewards in the various departments who served in that capacity on or before November 10, 1949 [the date the CIO expelled the UE] or who were since designated by a majority of all the employees in the respective departments which they represent, will continue to be recognized by the company for the limited purpose of the submission and processing of the grievances of any of the employees who work in their respective departments. Since November 10, 1949, these stewards have not been, nor are they now, recognized

by the company as the representatives of any labor organization, but rather as the persons chosen by a majority of the workers in the various departments for the presentation and processing of their grievances. Likewise, the committee which was chosen prior to November 10, 1949, to handle and process grievances at the second step of the grievance procedure, will continue to be recognized for the limited purpose only.

"b. No union activity of any nature or description will be permitted on company time.

"c. Stewards will remain solely within the departments which they represent.

"d. No official of either of the competing labor organizations will be recognized by the company for any purpose whatsoever.

"e. The company will permit the distribution of union literature or other union activity on its premises provided that the distribution and the activity are confined to the time before the commencement of work, during the lunch periods, or after work.

"f. The presently existing bulletin boards will not be available to either of the contesting unions.

"3. The company regrets the necessity for adopting rules of such stringency as are here outlined and which, in some instances, are contrary to the past practice over many years. However, we feel that we have no alternative but to do so since it would not be proper for us to do anything, or to permit any activity, which might appear to be unfairly favoring one side or the other. It is our sincere and earnest desire that the choice of a collective bargaining representative by our employees be accomplished in a free and untrammelled manner. It is our sole wish that the election take place in the American tradition of freedom and fair play to the end that the result reflects only the desires of our employees in the appropriate bargaining units. We ask everyone's cooperation to see to it that this is accomplished."

Letter Clarifies Clause

Employers and union leaders sometimes negotiate contract provisions to take care of special hardship cases. But they sometimes discover that the exceptions they negotiated have become the rule. The workers regard them not as exceptions but as rights to be enjoyed by all.

This occurred in the case of an eastern manufacturer and leaders of an independent union. They agreed to a clause stating in substance: The company will pay sick benefits for the first day of absence in the case of the first three absences of an employee during the calendar year.

But the company and union leaders soon found

that the absenteeism rate shot up because workers were taking the three days off for any and all reasons. To meet this situation, the company and union officials signed and made known to all workers the following letter of understanding:

"We understand that the union agrees that the establishment of a limit of three absences in a year for which the first day is to be paid is in no sense to be regarded by anyone as the normal or expected rate of absenteeism. It is recognized that a substantial number of employees are not now absent three times a year. The union agrees to make clear to its members that this agreement does not entitle employees to a minimum of three absences a year as a matter of right. The union further agrees that employees are entitled to claim sick-leave pay only when ill: it is not an earned right to be taken for other reasons."

When the Union Man Moves

Not only company executives¹ but union leaders, too, are concerned with "moving" problems. This is especially true for leaders of those unions whose members may be required to do considerable moving as part of their jobs. One such union is the International Union of Operating Engineers. In a contract with a western company the union secured this clause:

"If a regular employee is transferred from one district to another at the instance and request of the company, and it becomes necessary for such employee to move, the company shall compensate said employee for the freight cost of moving his personal household goods; provided, however, this provision shall have no applications where the transfer is made at the request of the employee, or where said employee's transfer is for the purpose of bumping some other employee in connection with his exercise of his seniority rights under this agreement to avoid layoff.

"Employees who are required to move to new jobs because of permanent shutdown of any division or subdivision shall receive their moving expenses under this provision; provided, however, if a regular employee is promoted from a lower classification to a higher classification as a result of his bid, under the seniority provisions of this agreement, and said promotion involves a transfer from one property to another, the company shall compensate the employee for the freight cost of moving his personal household goods in an amount not to exceed the actual cost of the move, or a maximum of \$175."

"Frozen Custom"

"Once something is given, you can't take it away" sums up many a labor relations executive's experience with plant custom. Special privileges grow up in day-to-day situations in the plant or office. But when bargaining time rolls around the union's leaders often attempt to freeze these new customs into contract

¹For other aspects of company moves, see "When the Company Moves," page 135.

clauses. That, for example, was evidently what happened in the case of the following contract clause:

"(d) Previous customs of the company in regard to wages, hours and working conditions (not covered or enumerated in this agreement) which were in existence prior to July 31, —, and which were of benefit to the employees and the company, such as those covering:

1. Soup at lunch time during winter months
2. Coffee or tea at lunch
3. Smocks and overalls where supplied at present
4. One o'clock closing on day prior to Christmas
5. One o'clock closing on day prior to New Year's except those employees taking inventory or for other emergency
6. Milk to employees on specified jobs
7. Protective clothing for specified outdoor jobs shall be continued.

"Similarly, the following customs which have been established subsequent to that date, shall be continued in effect:

1. Ten-minute rest period in morning and afternoon
2. Equalizing of overtime as far as possible between the employees within each category
3. Supper money (\$1) to those day-time employees who are required to work after 7:00 P.M. at night, and after 12:00 noon on Sunday."

To meet this problem of "runaway custom" before it may be too late to take action, some companies have adopted the policy of clearing any special privileges with the industrial relations department before they are granted.

Lewis Contract Gains Since V-J Day

Some labor leaders, because of former close association with John L. Lewis, feel that they have to beat him in terms of bargaining gains for their members.

The rapid pace being set by Lewis is illustrated by the following tabulation of his bituminous coal gains since V-J Day:

Date	Wage Increase	New Straight-time Hourly Rate	Daily Rate	5-Day Week Rate	Added	
					Vacations	Employee Benefits
May 22, 1946	\$1.85 per day increase added to previous 9-hr. day	1.185	\$11.85*	\$59.25	Vacation pay increased from \$75 per 10 days to \$100 for 10 days	Established welfare and retirement fund. Financed by employer contribution of 5 cents a ton
July 1, 1947	Previous 9-hr. day's pay plus \$1.20 for new 8-hr. day	1.631	13.05	65.25	.....	Employer's contribution increased to 10 cents a ton
July 1, 1948	\$1 a day added to previous 8-hr. day's pay	1.756	14.05	70.25	.....	Employer's contribution increased to 20 cents a ton
March 5, 1950	\$.70 a day added to previous 8-hr. day's pay	1.844	14.75	73.75	.....	Employer's contribution increased to 30 cents a ton

*Previous rate was \$10 a day.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Labor Press Highlights:

Labor Speculates on Job Decline

CONCERN over unemployment and its various causes crept into some labor papers last month. The CIO's *Economic Outlook* said: "Decline in investment, foreign trade, and farm income, as well as the effect on consumption of current trends of wage levels, prices and profits, point to lower levels of economic activity and more unemployment in 1950." To the CIO, the "slow but steadily growing unemployment may prove more dangerous than a sudden break. . . . If we accept a 4.5 million level of unemployment today with complacency, steady growth to 6 million by next year may also fail to arouse the nation." The *Economic Outlook's* antidote for unemployment is increased consumption through lower prices, higher income and investment of reserves accumulated by industry and upper income groups.

Other union papers looked at unemployment from different angles. The *Shoe Workers Journal* (Boot and Shoe Workers Union, AFL), for example, states that foreign-made shoes are flooding the United States market. Delegations from foreign countries, says the *Journal*, are here to obtain first-hand knowledge of our methods and to buy machinery. Shoes they manufacture, continues the editorial, cannot be sold in their home countries because people there cannot afford them, "so they will be sent over here and American shoe workers will either be unemployed or forced to accept wage reductions." The Shoe Workers union asks members to write Congress demanding corrective action.

Of deep concern to the AFL Metal Trades Department, says the *American Federationist*, is "the rapid decline of the American merchant marine." Most active in seeking White House and Congressional action to aid shipbuilding here have been the AFL Boilermakers president, Charles J. MacGowan, and secretary of the Metal Trades Department, James H. Brownlow. According to the AFL, "American capital is being invested in shipping, but unfortunately it is being put into foreign-flag vessels."

The *International Teamster* (Teamsters Union, AFL) in an editorial asks that "everyone with an interest in motor transport give a second thought to a proposal made in New York City recently for belt conveyers to replace much of the city's truck traffic." The conveyer's inventor, says the *Teamster*, claims that the conveyer would rid the city of at least 25% of the truck traffic that congests midtown. This is not "Buck Rogers conversation," comments the

editorial: "It's a matter on which both management and labor might keep an eye."

Not all of labor's talk has a worrisome note. The *Teamster* also notes with approval a significant change in the steel consumption pattern: "Formerly the bulk of our steel went into ships, buildings, railroad equipment and trackage and into farm uses. Today the major share of steel is going into short-term items like automobiles and other purchases which have a relatively short life. . . . The turnover makes for more work in many industries from mining through fabricating to servicing." The *Teamster* marks this change as one that also merits study by economists and those interested in the resources of the country.

AFL Disclaims Special Tax Privileges

Businesses owned by labor organizations and not directly related to their affairs, "should be regarded as ordinary income and so taxed," stated the AFL in a statement filed with the House Ways and Means Committee. As reported in the *St. Louis Labor Tribune* (AFL), the AFL in filing the brief became the first of the special group named by the Treasury Department as beneficiaries of tax loopholes to agree to the abolishment of special privileges.

Warn Against Commies in Aircraft

"The International Communist party has decided once again to try to infiltrate the American aircraft industry. The big West Coast airframe plants are its No. 1 target," declares an editorial in *The Machinist* (International Association of Machinists, ind.). Having been blocked in attempts to invade aircraft unions, the Communists this time are going to try to work through social clubs, says *The Machinist*. They are also considering publishing a party-line paper to be called "Plane Worker" for use in the drive. One of their aims, according to the editorial, is to weaken the country's air arm by demanding further conversion of aircraft production facilities to civilian production.

Laurels for "John L." from Left-Wing Unions

An editorial in *The Dispatcher*, official organ of Harry Bridges' International Longshoremen's and Warehousemen's Union, lauds John L. Lewis and the mutual assistance pact he extended to the CIO steel and auto unions. The pact is called an idea that "has powerful appeal to the ranks of labor." Says *The Dispatcher* editorial: "As between the

newly discovered political unity of the AFL and CIO and the concrete pork chop's unity proposed by John L. Lewis and the UMW, we think the ranks of our union will have little trouble in making a wise selection. P.S. We propose to tell John L. just that. Maybe he would like to hear it from our local too."

The *UE News* (United Electrical Workers, ind.) throws laurels to Mr. Lewis through a review of the book, "John L. Lewis," by Saul Alinsky.¹ To the UE, "the most exciting part of the Lewis story is how he overcame past political and organizational disagreements to build a united force for the big battle."

Hotel Workers Protest AFL "Affront"

"The history of the AFL executive council is a history of blundering," says an editorial in *The Catering Industry Employee* (Hotel and Restaurant Employees' and Bartenders' International, AFL). The latest blunder, according to the editorial, is not picking Hotel and Restaurant Employees' president Hugo Ernst to fill the executive council vacancy left by the death of William D. Mahon of the AFL's Street and Motor Coach Employees Union. The report claims that the union has the third largest membership in the AFL,² and is one of the AFL's oldest affiliates, yet it is not represented on the executive council. Because of this "affront," the Hotel Workers union has resigned from AFL's Labor League for Political Education. It has authorized the union's president to take such further action of protest as he might deem proper.

Steel Wage Inequity Program Nears End

Steel Labor (United Steelworkers, CIO) reports that classification under the wage inequity program of so-called "fringe jobs" covering 35,000 employees is near an end. The classification is part of the over-all program started jointly by the union and the basic steel industry following a 1944 War Labor Board directive. Previously completed, comments this report, was the classification of jobs covering 350,000 employees. Back pay for them amounted to \$145 million. The completion of the fringe job survey, plus classification of salaried employees, will mean another \$40 million in retroactive pay, according to the Steelworkers' estimate.

AFL Papermakers Set Goals for '50

Paul L. Phillips, president of the AFL International Brotherhood of Papermakers, writing in the *Paper Maker's Journal*, says 1950 negotiations may be difficult, but "paper manufacturers should without hesitation or much argument come through this year with substantial improvements." Top demands, according to Mr. Phillips, are longer vacations for older employees, new or improved pensions, medical

¹Published by G. P. Putnam's Sons, New York.

²A Conference Board survey in 1949 showed the Hotel Workers with 403,500 members, fourth largest union in the AFL. Topping it in the AFL were the Teamsters, 981,500 members; the Carpenters, 741,000 members and Electrical Workers, 570,000 members. From "Union Membership and Affiliation," *Road Map* No. 681, January 14, 1949.

insurance, and wage increases. Paid holidays, sick leave, guaranteed annual wage, and severance pay are other important and desirable items. But, says Mr. Phillips, they "should not be permitted to obscure the main objectives, which are sound economy."

New CIO Union for Government Workers

The Government and Civic Employees Organizing Committee—the new CIO organizing committee for government workers—was announced by *The CIO News*. The GCEOC, which supplants the expelled United Public Workers, is headed by Anthony J. Federoff, formerly a CIO regional director in Pittsburgh. The union starts out with a nucleus of 12,000 members, some of whom are now in a Washington, D. C., government workers' union and temporary locals of Utility Workers Union, CIO, and the Mining and Shipbuilding Workers Union, CIO.

Labor Editors Ask for Readable Union Papers

Late this month, editors of union newspapers will convene at the University of Illinois to seek ways of improving the labor press, reports the *St. Louis Union Labor Advocate* (AFL). In workshop sessions, the editors will practice translating labor laws and union contracts into simple language.

Teamsters Move in on Bridges

The AFL Teamsters have moved in on Harry Bridges' warehouse units, reports the *West Coast Sailor* (Sailors' Union of the Pacific, AFL). According to the report, one right-wing local of the Bridges' Longshoremen's and Warehousemen's Union has already asked for and received a charter from the Teamsters. The local moved into the Teamsters in preference to setting up a new non-Communist CIO union, according to the report. The Teamsters followed up this lead with a rapid campaign in twenty-five other ILWU, CIO, warehouses. The SUP has voted to "back the Teamsters to the hilt."

A Day's Pay for a Union Health Center

Members of the AFL International Ladies' Garment Workers' Union in Cleveland will give up a day's pay to finance the remodeling of a building that will house the union's health center and headquarters, reports *Justice* (International Ladies' Garment Workers' Union, AFL). The membership vote approving the assessment was almost unanimous, adds the report. *Justice* also carries a report on the ILG's financial condition for 1949. The statement shows assets of almost \$16.5 million, liabilities of close to \$5 million. Union receipts for the last year, as listed in *Justice*, were over 5 million and included close to \$3 million in dues.

HAROLD STIEGLITZ

Division of Personnel Administration

Trends in Employee Benefit Plans

Profit-Sharing Dividend at New High

Wage dividend day was welcomed on March 9 by some 46,000 employees of the Eastman Kodak Company because it meant \$15,248,310 extra in their pockets. This 1949 distribution was the largest in the history of the company's wage dividend plan, which dates back to 1912. To the employee with five years' service, the distribution amounted to six and a half times his average weekly earnings for the past five years. Employees with less than five years' service received proportionately less.

The wage dividend formula is based on the total amount of cash dividend declared on the company's common stock. For each twenty cents by which dividends on the common stock exceed seventy cents, the wage dividend is .5% of all the employee's earnings within the five calendar years preceding the date of payment. The rate of payment for 1949 was 2.5% as against 2.25% for 1948. This meant that for each \$1,000 earned by a worker during the five-year period, he received \$25.

During the past thirty-eight years of operation, the total distributed under the plan has amounted to approximately \$119.5 million, of which \$40 million has been distributed during the past three years.

Pensions Are Wages

In a far-reaching decision, the Public Service Commission of New York on March 12, 1950, held that pensions are wages to be financed out of current operating expenses. Commissioner Spencer B. Eddy noted in a memorandum that the new concept of pension funding was in line with "modern economic thinking, law and accepted practice" and that the granting of pensions would not result in rate increases different from those normally produced by an equivalent change in wage scales. Approximately 2,600 public utility companies of various kinds will be affected by the ruling.

The four fundamental principles for the basis of the commission's new policy are:

"1. If pensions are to be treated as part of wages, it is essential that the company claiming the deduction as an operating expense will have irrevocably committed itself to the obligation.

"2. The pension plan must be a reasonable one, fulfilling and meeting the standards of the commission. The matter of pensions becomes a matter of collective bargaining between the company and its men, over which the commission has no control. In a rate proceeding,

however, where payments are excessive, the commission can disallow excessive payments for the purpose of fixing rates.

"3. The inclusion in operating expenses should be made in the year when provisions should be made for it.

"4. Where companies have undertaken to pay pensions, even if the plan is a so-called voluntary plan under which the company may claim no legal liability, there is a high moral responsibility, and as a practical matter a long-standing voluntary plan cannot be terminated without destroying good labor relations."

Commissioner Arkwright, sole dissenter to the ruling, maintained that "public interest is best served by not passing these particular costs on to the public."

What Pensions Cost U. S. Steel

The increased cost of the new pension and group insurance plans of the United States Steel Corporation will add \$67.5 million annually to its expenses. Of this amount, \$54.5 million is for pensions and \$13 million for insurance. It is estimated that the total past-service cost for present employees amounts to \$560 million.

The corporation considered it a matter of equity to restore the modifications in benefits to those who retired prior to March 1, 1948. The total past-service cost for retired employees is \$117 million of which \$39 million is held in trust.

In 1949, 773 employees retired. The total number of employees on the pension pay roll has now reached 14,965.

Profit-Sharing Grievances

The 1950 agreement between the J. D. Adams Manufacturing Company, Indianapolis, Indiana, and the United Steelworkers of America, provides that the company shall make its 1949 contribution to the profit-sharing and retirement fund according to the formula which is spelled out in the contract. If an employee who is retiring under the terms of the plan objects to the method by which his share of the fund is made available to him, he may complain to either the committee set up under the profit-sharing plan or to the union grievance committee.

If the grievance committee believes the complaint justified, it presents its reasons to the plan committee in writing. If the plan committee, upon further consideration, still holds to its original decision, a joint meeting of the union grievance committee and the

plan committee is held in an attempt to iron out any differences.

"Social Insurance" in Steel

While union-negotiated pension plans have been making most of the headlines, insurance programs have been negotiated by an even greater number of companies. Unlike the majority of pension plans, most of these new group insurance programs are on a contributory basis.

Both the Bethlehem Steel Company and the United States Steel Corporation have reached agreements with the United Steelworkers, CIO, on the so-called social insurance programs. The Bethlehem Steel Company plan provides life insurance equivalent to approximately 1,750 times the standard hourly rate of pay, up to a maximum of \$4,500. The sickness and accident benefit is \$26 a week, except for employees earning less than \$1.07 an hour, who are entitled to a weekly benefit of \$24. Hospital benefits are provided for employees and their dependents under the Blue Cross seventy-day plan. The employee's contribution ranges from \$2.70 to \$4.40 a month for personal coverage only, and from \$3.95 to \$5.65 a month for personal and dependent coverage. The company contributes 2.5 cents for each man-hour worked by employees participating in the plan.

Sickness and accident insurance is payable from the eighth day for sickness and from the first day for a nonoccupational accident. The maximum period for which disability payments are made is twenty-six weeks.

When the employee retires at sixty-five, his life insurance is reduced to 30% of the amount in effect when he retired or \$1,250, whichever is greater. No employee contributions are required for this protection.

The plan of the United States Steel Corporation is similar to that of the Bethlehem Steel Corporation, with the life insurance protection ranging from \$2,000 to \$4,500, a flat-sum disability benefit of \$26 a week, and Blue Cross coverage for employees and their dependents. The employees are permitted to purchase additional life insurance at the rate of ninety cents per thousand. Decreased life insurance at the company's expense is also provided under the plan upon retirement.

Jones and Laughlin Steel Corporation's plan contains fewer wage classifications than either the Bethlehem or United States Steel plan, but it provides quite similar benefits: life insurance of slightly less than one year's salary, daily disability benefits of \$4.30 and Blue Cross coverage for seventy days, but with additional surgical benefits to a maximum of \$150.

F. BEATRICE BROWER
Division of Personnel Administration

Building New Executives

(Continued from page 134)

While a few companies stress job rotation or the use of Harvard's Advanced Management Program or some other plan, the majority of companies believe in the multiple approach to executive development and utilize a combination of the techniques described above. Some programs include almost all the ideas listed in the box on page 134.

COST AND VALUES

What is an executive worth? How much should a company spend on his training and development? It is difficult and perhaps unnecessary to attempt precise answers to these questions. Companies must have executives. Men can be appointed to executive positions with or without benefit of training. Which way is better? An executive development program costs a lot of money, but it also may save a lot of money.

On a per capita basis, an executive health program alone may cost \$1,000 per year. Sending a \$20,000-a-year man to Harvard for three months will cost at least \$7,000. Job rotation is expensive when it is realized that no one, however capable, is apt to be very productive the first two or three months he is on a new job. One company has estimated that it costs \$25,000 to develop an executive.

Companies with executive development programs say they could not afford not to have them. They argue that they cannot afford an executive who makes too many wrong judgments. Or, from the positive point of view, they argue that their future competitive position depends, first of all, on the quality of their management team, and that they are going to do everything within their power to make this team one of maximum strength and effectiveness. One company president said: "I don't know what this executive development program is costing us but, whatever it is, it is cheap. We are going to spend more on it. I can't think of a better investment in our future."

STEPHEN HABBE
Division of Personnel Administration

Company Products Bought Through Dealers

Servel, Inc., recently revised its plan for employee purchases of refrigerators and water heaters. Formerly, these company products were made available to employees directly. Now employees obtain them through dealers. The Employee Services office issues certificates of eligibility which entitle employees to a special price on the appliances.

SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

Item	Unit	1950		1949					Year Ago	Percentage Change	
		Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	August		Latest Month over Previous Month ¹	Latest Month over Year Previous
Clerical salary rates²											
Office boy (or girl).....	median in dollars	.....	.....	.....	.....	33	.....	.....	.....	.....	.....
Receptionist.....	median in dollars	.....	.....	.....	.....	45	.....	.....	.....	.....	.....
Telephone switchboard operator.....	median in dollars	.....	.....	.....	.....	48	.....	.....	.....	.....	.....
File clerk.....	median in dollars	.....	.....	.....	.....	36	.....	.....	.....	.....	.....
Junior copy typist.....	median in dollars	.....	.....	.....	.....	36	.....	.....	.....	.....	.....
Senior copy typist.....	median in dollars	.....	.....	.....	.....	43	.....	.....	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	38	.....	.....	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	45	.....	.....	.....	.....	.....
Stenographer.....	median in dollars	.....	.....	.....	.....	46	.....	.....	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	.....	.....	.....	42	.....	.....	.....	.....	.....
Billing machine operator.....	median in dollars	.....	.....	.....	.....	45	.....	.....	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	.....	.....	.....	46	.....	.....	.....	.....	.....
Key punch operator.....	median in dollars	.....	.....	.....	.....	42	.....	.....	.....	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	199.7	200.9	200.9	204.0	204.0	209.6	208.2	206.8	-0.6	-8.4
Housing.....	Jan. 1939=100	114.8	114.8	113.7	113.7	113.7	112.7	112.7	112.1	0	+2.4
Clothing.....	Jan. 1939=100	142.9	143.3	143.6	143.8	144.0	144.1	144.6	152.3	-0.3	-6.2
Men's.....	Jan. 1939=100	155.9	156.2	156.2	156.4	156.5	156.6	157.3	164.6	-0.2	-5.3
Women's.....	Jan. 1939=100	131.9	132.3	132.8	133.1	133.3	133.5	132.8	141.8	-0.3	-7.0
Fuels.....	Jan. 1939=100	130.8	130.5	130.1	129.6	128.8	128.0	127.1	129.5	+0.2	+1.0
Electricity.....	Jan. 1939=100	92.6	92.6	92.6	92.6	92.3	92.3	91.9	91.0	0	+1.8
Gas.....	Jan. 1939=100	101.5	101.5	102.0	102.0	101.9	101.8	101.9	101.1	0	+0.4
Housefurnishings.....	Jan. 1939=100	148.0	147.6	147.5	147.2	147.4	147.5	148.0	156.3	+0.3	-5.3
Sundries.....	Jan. 1939=100	154.0	154.1	154.4	154.5	154.5	154.6	154.3	151.6	-0.1	+1.6
All items.....	Jan. 1939=100	158.9	159.3	159.2	160.2	160.2	161.9	161.3	161.2	-0.3	-1.4
Purchasing value of dollar.....	Jan. 1939 dollars	62.9	62.8	62.8	62.4	62.4	61.8	62.0	62.0	+0.2	+1.5
All items (BLS).....	1935-1939=100	166.5	166.9	167.5	168.6	168.5	169.6	168.8	169.0	-0.2	-1.5
Strikes (BLS)											
Beginning in period.....	number	.....	p 225	p 150	200	250	290	380	275	+50.0	-18.2
Workers involved.....	thousands	.....	p 280	p 40	70	600	475	140	77	+600.0	+263.6
Total man days idle.....	thousands	.....	p 2,600	p 1,200	7,500	19,000	6,550	2,100	725	+116.7	+258.6
Turnover rates in manufacturing (BLS)											
Separations.....	per 100 employees	.....	p 3.1	3.2	4.0	4.1	4.2	4.0	4.6	-3.1	-32.6
Quits.....	per 100 employees	.....	p 1.1	1.0	1.2	1.5	2.1	1.8	1.7	+10.0	-35.3
Miscellaneous.....	per 100 employees	.....	p .1	.1	.1	.1	.1	.1	.1	0	0
Discharges.....	per 100 employees	.....	p .2	.2	.2	.2	.2	.3	.3	0	-33.3
Layoffs.....	per 100 employees	.....	p 1.7	1.9	2.5	2.3	1.8	1.8	2.5	-10.5	-32.0
Accessions.....	per 100 employees	.....	p 3.6	3.2	3.3	3.7	4.1	4.4	3.2	+12.5	+12.5
Wage Earners											
All manufacturing industries (BLS)³											
Earnings, hourly.....	average in dollars	p 1.420	1.419	r 1.408	r 1.392	1.392	1.407	1.399	1.401	+0.1	+1.4
weekly.....	average in dollars	p 56.37	56.33	r 56.18	r 54.43	55.26	55.72	54.70	55.20	+0.1	+2.1
Hours per production worker.....	average per week	p 39.7	39.7	r 39.9	r 39.1	39.7	39.6	39.1	39.4	0	+0.8
Employment.....	1939 average=100	.....	139.9	r 140.4	r 137.8	138.8	143.7	141.1	148.9	-0.4	-6.0
Payrolls.....	1939 average=100	.....	329.7	r 330.1	r 313.9	320.9	335.1	323.0	345.9	-0.1	-4.7
Durable goods (BLS)³											
Earnings, hourly.....	average in dollars	p 1.482	1.486	r 1.475	r 1.457	1.458	1.482	1.473	1.466	+0.3	+1.1
weekly.....	average in dollars	p 59.43	59.44	r 59.15	r 56.82	58.17	58.69	57.89	58.49	0	+1.6
Hours per production worker.....	average per week	p 40.1	40.0	r 40.1	r 39.0	39.9	39.6	39.3	39.9	+0.3	+0.5
Employment.....	thousands	p 5,995	6,007	r 5,957	r 5,719	5,651	6,060	5,948	6,523	-0.2	-8.1
Nondurable goods (BLS)³											
Earnings, hourly.....	average in dollars	p 1.352	1.344	1.335	1.325	1.325	1.328	1.319	1.323	+0.6	+2.2
weekly.....	average in dollars	p 53.27	52.82	52.73	52.07	52.47	52.59	51.31	51.33	+0.9	+3.8
Hours per production worker.....	average per week	p 39.4	39.3	39.5	39.3	39.6	39.6	38.9	38.8	+0.3	+1.5
Employment.....	thousands	p 5,480	5,453	r 5,545	5,570	5,717	5,715	5,613	5,551	+0.5	-1.3
Class I railroads⁴											
Earnings, hourly.....	average in dollars	.....	.....	1.625	1.620	1.614	1.612	1.429	1.398	+0.3	+16.2
weekly.....	average in dollars	.....	.....	69.90	70.40	68.70	69.82	71.63	67.50	-0.7	+3.6
"Real" weekly earnings.....	1923=100	.....	.....	175.8	175.9	171.6	172.6	177.7	165.9	-0.1	+6.0
Hours per wage earner.....	average per week	.....	.....	43.0	43.5	42.6	43.3	50.1	48.3	-1.1	-11.0
Agricultural wage rates (BAE)											
With board and room, per month.....	average in dollars	.....	96.00	.....	.....	99.00	.....	.....	102.00	-3.0	-5.9
With house, per month.....	average in dollars	.....	118.00	.....	.....	120.00	.....	.....	122.00	-1.7	-3.3
Composite rate per hour.....	average in dollars	.....	.59	.....	.....	.57	.....	.....	.60	-3.5	-1.7

¹Changes in Agricultural Wage Rates are quarterly.
²Based on reports from 20 cities.

³Revised series
⁴Derived from Interstate Commerce Commission reports.

pPreliminary.
rRevised.

Manufacturing Employment Expands

IN FEBRUARY of this year, the number of production workers rose by 15,000 with the latest monthly estimate amounting to 11,475,000 for all manufacturing. Labor disturbances in the automobile industry tended to retard this upswing, however, when 89,000 struck at Chrysler toward the end of January and stayed out all during February. The transportation equipment industry as a whole reported 76,000 fewer workers in February. Many automobile parts plants were forced to close because of a sharp reduction in orders, but the drop was offset by other plants whose operations were stepped up to meet sustained demand.

The only other hard goods industry to report fewer workers was lumber, reflecting seasonal factors.

Improvement was noted in four out of ten non-durable goods industries studied by the Bureau of Labor Statistics. But this was enough to counteract all the declines that took place between January and February. As a result, the general level was increased by 27,000 production workers. The apparel industry was instrumental in establishing this upward pattern. According to many coat and suit manu-

facturers, a steady stream of reorders has sparked the rising employment level. During the same period last year, 40,000 workers were added to the industry's pay rolls; from February to February the gain totaled 14,000 workers. The leather industry also picked up as a result of seasonal demands for shoes and other leather accessories. Since January of this year 10,000 accessions were reported.

HOURLY EARNINGS AT PEAK

Another slight increase in wage rates brought the average hourly earnings of production workers to an unprecedented high of \$1.420 during February. This represents a net gain of 0.1 cents over the peak reached in January and an increase of almost two cents since February, 1949.

The initial over-all effect of the new minimum wage law, which boosted wages among employees engaged in interstate commerce or in the manufacture of goods for interstate commerce was noticeable during February in several of the lower-paying manufacturing industries. Both tobacco and lumber reported a rise of 3.4 cents between January and Feb-

TABLE 1: HOURS AND GROSS EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS
IN MANUFACTURING INDUSTRIES, FEBRUARY, 1950

Source: Bureau of Labor Statistics

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	Feb., 1950 ^p	Jan., 1950	Feb., 1949	Feb., 1950 ^p	Jan., 1950	Feb., 1949	Feb., 1950 ^p	Jan., 1950	Feb., 1949
ALL MANUFACTURING	56.37	56.33	55.20	39.7	39.7	39.4	1.420	1.419	1.401
Durable goods.....	59.43	59.44	58.49	40.1	40.0	39.9	1.482	1.486	1.466
Electrical machinery.....	58.77	58.56	57.02	40.5	40.5	39.6	1.451	1.446	1.440
Fabricated metal products (exc. ord., mach. and trans. equip.)..	59.72	59.93	57.72	40.3	40.3	39.7	1.482	1.487	1.454
Furniture and fixtures.....	52.58	51.25	48.99	41.8	41.2	39.8	1.258	1.244	1.231
Instruments and related products.....	57.04	56.49	55.28	40.0	39.7	39.8	1.426	1.423	1.389
Lumber and wood products (except furniture).....	49.90	48.18	48.03	39.6	39.3	39.5	1.260	1.226	1.216
Machinery (except electrical).....	62.78	61.22	61.57	40.5	39.6	40.4	1.550	1.546	1.524
Ordinance and accessories.....	60.11	60.70	59.22	40.1	40.2	41.3	1.499	1.510	1.434
Primary metal industries.....	64.68	63.83	63.16	40.1	39.5	39.8	1.613	1.616	1.587
Stone, clay, and glass products.....	56.24	55.52	55.02	40.4	40.0	40.4	1.392	1.388	1.362
Transportation equipment.....	64.16	67.91	65.79	38.7	40.3	39.8	1.658	1.685	1.653
Non-durable goods.....	53.27	52.82	51.33	39.4	39.3	38.8	1.352	1.344	1.323
Apparel and other finished textile products.....	44.93	42.84	43.87	36.8	36.0	36.2	1.221	1.190	1.212
Chemicals and allied products.....	60.13	59.97	57.81	41.1	41.3	41.0	1.463	1.452	1.410
Food and kindred products.....	53.96	55.02	53.07	40.6	41.4	41.3	1.329	1.329	1.285
Leather and leather products.....	44.16	42.86	42.83	38.3	37.7	37.7	1.153	1.137	1.136
Paper and allied products.....	57.75	57.52	54.84	42.4	42.2	41.2	1.362	1.363	1.331
Printing, publishing, and allied industries.....	70.67	70.43	68.32	38.2	38.4	38.6	1.850	1.834	1.770
Products of petroleum and coal.....	73.22	73.97	70.82	40.7	40.8	39.9	1.799	1.813	1.775
Rubber products.....	61.48	60.56	56.55	40.0	39.4	37.7	1.537	1.537	1.500
Textile-mill products.....	47.68	47.40	45.01	39.5	39.4	37.7	1.207	1.203	1.194
Tobacco manufactures.....	39.55	39.22	34.94	37.1	38.0	35.4	1.066	1.032	.987

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

^pPreliminary.

TABLE 2: PRODUCTION-WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES, FEBUARY, 1950
Source: Bureau of Labor Statistics

Industry Group ¹	Employment (In Thousands)			
	Feb., 1950 ^p	Jan., 1950	Dec., 1949	Feb., 1949
ALL MANUFACTURING	11,475	11,460	11,502_r	12,074
Durable goods	5,995	6,007	5,957 _r	6,523
Electrical machinery	576	560	558 _r	607
Fabricated metal products (exc. ord., mach. and trans. equip.)	701	693	688	752
Furniture and fixtures	295	289	289	278
Instruments and related products	173	172	173	185
Lumber and wood products (except furniture)	636	642	683 _r	655
Machinery (except electrical)	957	936	929 _r	1,133
Ordnance and accessories	17.1	16.9	17.1	23.3
Primary metal industries	969	960	952 _r	1,077
Stone, clay, and glass products	403	403	412 _r	429
Transportation equipment	914	990	896 _r	1,021
Nondurable goods	5,480	5,453	5,545 _r	5,551
Apparel and other finished textile products	1,069	1,036	1,042 _r	1,055
Chemicals and allied products	485	480	484	513
Food and kindred products	1,064	1,078	1,139 _r	1,073
Leather and leather products	358	348	342 _r	359
Paper and allied products	384	385	390	391
Printing, publishing, and allied industries	489	494	502	497
Products of petroleum and coal	183	184	185	188
Rubber products	185	187	187	197
Textile-mill products	1,182	1,176	1,187	1,190
Tobacco manufactures	81	85	87 _r	88

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.

^pRevised

ruary while furniture factories and textile mills showed a gain of 1.4 cents and 0.4 cents, respectively.

HOURS STEADY

Working hours remained at the same level in February as in January—39.7 hours in all manufacturing. No change took place in metal fabricating or electrical

machinery plants but many other variations did occur. Machinery (except electrical) operations required a one hour's extension of the work week while transportation equipment workers, in contrast, averaged about 1.5 hours less work.

ELIZABETH M. CASELLI
Statistical Division

Consumer's Dollar Appreciates in Value

THE consumer's dollar became slightly more valuable in February, according to THE CONFERENCE BOARD's consumers' price index. With prices of consumer goods declining 0.3% from January 15 to February 15, purchasing power of the dollar rose by 0.2%. Compared with February, 1949, the consumer's dollar bought 1.5% more this year. Actually, there has been a good deal of stability since the latter part of 1948 when the upward thrust of the postwar period petered out. Some of this stability has resulted from the balancing of ups and downs among the group components.

MONTH-TO-MONTH CHANGES

Retail food prices show the greatest month-to-month change, dropping 0.6% since mid-January. The biggest decreases were for green beans, lettuce, onions, lard, eggs and carrots. These were offset in

part by increases in pork chops, whole hams and oranges. Other major decreases were 0.3% for clothing and 0.1% for sundries. Some of the specific commodities cut were women's fall and winter coats and men's suits and coats. Cleaning materials also recorded a slight decline.

HOUSEFURNISHINGS, FUEL UP

Housefurnishings and fuel were the only two components to show an increase over the month, rising 0.3% and 0.2%, respectively. Bituminous coal and rugs were marked up appreciably.

Of the fifty-nine cities surveyed in February, seventeen experienced rises ranging from 0.1% in St. Paul, Rockford, Milwaukee, Indianapolis and Denver to a high of 0.6% in Huntington, West Virginia. Some thirty-eight cities showed decreases while four remained unchanged over the month.

New Schedule for Index

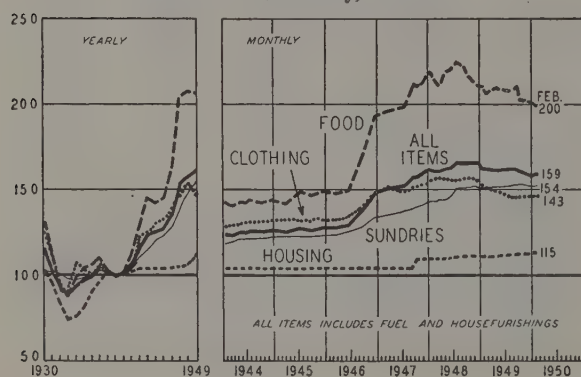
Beginning with the March, 1950, quotations, THE CONFERENCE BOARD's index of consumers' prices will no longer be compiled every month for all fifty-four cities. A shift to a modified quarterly reporting system is being made in view of the comparative stability of consumers' prices over the past year. In the event that retail prices of consumer goods and services begin to fluctuate widely, the reporting procedure will be reexamined.

Price movements in ten key cities will be measured monthly. The other forty-four cities will be covered quarterly on a staggered schedule, a third of them

Consumers' Price Index

Source: THE CONFERENCE BOARD

Index Number: January, 1939=100



every month. Thus, there will continue to be a monthly index, and prices in each of the cities will be measured at least once every quarter.

Cities for Consumers' Price Index

Every Month	January, April, July and October	February, May, August and November	March, June, September and December
Birmingham	Baltimore	Akron	Atlanta
Boston	Bridgeport	Chattanooga	Buffalo
Chicago	Dayton	Cincinnati	Cleveland
Denver	Erie, Pa.	Dallas	Des Moines
Detroit	Grand Rapids	Duluth	Evansville
Indianapolis	Green Bay	Fall River	Huntington
Los Angeles	Houston	Muskegon	Kansas City, Mo.
New Orleans	Memphis	New Haven	Lansing
New York	Minneapolis-	Pittsburgh	Louisville
Philadelphia	St. Paul	Richmond	Milwaukee
	Newark	Rochester	Portland
	Omaha	St. Louis	Providence
	Roanoke	San Francisco-	Spokane
	Sacramento	Oakland	Toledo
	Seattle	Wilmington	Trenton
	Syracuse		

The cities to be covered by THE CONFERENCE BOARD's Consumers' Price Indexes and the months in which they will be surveyed are listed above.

A monthly "Consumers' Price Index for Ten U. S. Cities" will describe the bulk of the movements of consumers' prices. This nucleus will be augmented by the quarterly indexes for the other cities. These in turn will dovetail into a comprehensive monthly index for all cities combined.

The division of the forty-four "quarterly" cities

(Text continued on page 160)

CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, January, 1939=100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1948 Annual average.....	163.7	217.9	110.6	156.0	167.8	146.1	123.5	90.1	94.5	156.9	148.1	61.1
1949 February.....	161.2	206.8	112.1	152.3	164.6	141.8	129.5	91.0	101.1	156.3	151.6	62.0
March.....	161.4	207.7	112.1	150.8	163.2	140.2	129.3	91.0	101.1	154.4	151.9	62.0
April.....	161.4	208.7 ^a	112.3	148.7	161.9	137.7	127.9	91.0	101.3	153.1	151.9	62.0
May.....	161.6	208.2 ^b	112.3	147.8	160.7	136.9	126.8	91.9	101.8	151.8	158.9	61.9
June.....	161.7	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.1	61.8
July.....	161.2	207.8 ^c	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.1	62.0
August.....	161.3	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	154.3	62.0
September.....	161.9	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	154.6	61.8
October.....	160.2	204.0 ^d	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	154.5	62.4
November.....	160.2	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	154.5	62.4
December.....	159.2	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	154.4	62.8
Annual average.....	161.2	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	153.5	62.0
1950 January.....	159.3	200.9 ^e	114.8	143.3	156.2	132.3	130.5 ^r	92.6	101.5 ^r	147.6	154.1	62.8
February.....	158.9	199.7	114.8	142.9	155.9	131.9	130.8	92.6	101.5	148.0	154.0	62.9

Percentage Changes

Jan., 1950 to Feb., 1950...	-0.3	-0.6	0	-0.3	-0.2	-0.3	+0.2	0	0	+0.3	-0.1	+0.2
Feb., 1949 to Feb., 1950...	-1.4	-3.4	+2.4	-6.2	-5.3	-7.0	+1.0	+1.8	+0.4	-5.3	+1.6	+1.5

¹Rents surveyed quarterly, January 15, April 15,
July 15, October 15.

²Includes electricity and gas.

^aBased on food prices for April 14, 1949.

^bBased on food prices for May 16, 1949.

^cBased on food prices for July 14, 1949.

^dBased on food prices for Oct. 13, 1949.

^eBased on food prices for Jan. 16 1950.

^rRevised

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES

SOURCE: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950		Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950
Akron						Chicago					
Food.....	207.2	206.0 _r	212.3	+0.6	-2.4	Food.....	205.4	206.2 _r	210.9 _r	-0.4	-2.6
Housing ¹	123.8	123.8	122.0	0	+1.5	Housing ¹	123.4	123.4	120.5	0	+2.4
Clothing.....	144.0	143.5	152.9	+0.3	-5.8	Clothing.....	141.3	142.2	151.1	-0.6	-6.5
Fuel ²	160.5	159.5	155.9 _r	+0.6	+3.0	Fuel ²	115.3	114.6	111.5	+0.6	+3.4
Housefurnishings.....	131.2	130.9	135.5	+0.2	-3.2	Housefurnishings.....	142.4	142.0	151.9	+0.3	-6.3
Sundries.....	153.0	153.1	152.5	-0.1	+0.3	Sundries.....	153.1	153.0	154.0	+0.1	+2.7
Weighted Total.....	162.6	162.1	164.5	+0.3	-1.2	Weighted Total.....	161.5	161.7 _r	162.5 _r	-0.1	-0.6
Atlanta						Cincinnati					
Food.....	197.3	198.0	206.5	-0.4	-4.5	Food.....	200.2	201.1	205.6 _r	-0.4	-2.6
Housing ¹	113.5	113.5	110.5 _r	0	+2.7	Housing ¹	115.4	115.4	112.2 _r	0	+2.9
Clothing.....	130.9	130.8	140.3	+0.1	-6.7	Clothing.....	154.6	155.5	164.5	-0.6	-6.0
Fuel ²	140.5	140.5	137.4	0	+2.3	Fuel ²	147.3	147.2	136.2	+0.1	+8.1
Housefurnishings.....	148.1	147.6	154.9	+0.3	-4.4	Housefurnishings.....	148.8	148.4	149.2	+0.3	-0.3
Sundries.....	143.2	143.1	138.7	+0.1	+3.2	Sundries.....	152.8	153.2	151.9	-0.3	+0.6
Weighted Total.....	153.1	153.2	154.9 _r	-0.1	-1.2	Weighted Total.....	161.6	162.0	163.0 _r	-0.2	-0.9
Baltimore						Cleveland					
Food.....	201.3	203.0 _r	207.9	-0.8	-3.2	Food.....	202.0	202.1 _r	204.7 _r	a	-1.3
Housing ¹	112.3	112.3	110.1	0	+2.0	Housing ¹	116.9	116.9	116.7	0	+0.2
Clothing.....	143.7	143.6	152.0	+0.1	-5.5	Clothing.....	151.0	150.8	161.5	+0.1	-6.5
Fuel ²	152.0	151.7 _r	148.3 _r	+0.2	+2.5	Fuel ²	141.2	140.2	136.6	+0.7	+3.4
Housefurnishings.....	165.4	164.2	168.8	+0.7	-2.0	Housefurnishings.....	156.0	155.3	162.1	+0.5	-3.8
Sundries.....	144.9	144.9	143.4	0	+1.0	Sundries.....	151.4	151.6	150.7	-0.1	+0.5
Weighted Total.....	159.9	160.5 _r	162.2 _r	-0.4	-1.4	Weighted Total.....	160.0	160.0 _r	161.7 _r	0	-1.1
Birmingham						Dallas					
Food.....	198.7	201.1 _r	210.8	-1.2	-5.7	Food.....	204.3	207.4 _r	212.6	-1.3	-3.7
Housing ¹	121.6	121.6	121.5	0	+0.1	Housing ¹	153.1	153.1	120.4	0	+31.3
Clothing.....	146.2	146.3	155.2	-0.1	-5.8	Clothing.....	146.0	146.0	156.0	0	-6.4
Fuel ²	127.9	127.9	126.4	0	+1.2	Fuel ²	89.1	89.1	89.1	0	0
Housefurnishings.....	148.3	146.7	153.1	+1.1	-3.1	Housefurnishings.....	146.0	146.1	153.0	-0.1	-4.6
Sundries.....	140.3	140.6	138.9	-0.2	+1.0	Sundries.....	152.7	152.9	146.1	-0.1	+4.5
Weighted Total.....	154.5	155.2 _r	158.7	-0.5	-2.6	Weighted Total.....	162.7	163.5	157.4	-0.5	+3.4
Boston						Dayton					
Food.....	183.1	183.5	192.8 _r	-0.2	-2.4	Food.....	195.4	195.2	196.2	+0.1	-0.4
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	117.5	117.5	117.5	0	0
Clothing.....	139.0	139.1	146.0	-0.1	-4.8	Clothing.....	138.3	138.3	145.9	0	-5.2
Fuel ²	156.9	158.6	160.1 _r	-1.1	-2.0	Fuel ²	144.4	142.8	141.9	+1.1	+1.8
Housefurnishings.....	154.0	154.0	161.4	0	-4.6	Housefurnishings.....	152.2	152.2	161.1	0	-5.5
Sundries.....	151.0	150.7	147.1	+0.2	+2.7	Sundries.....	144.0	143.3	140.6	+0.5	+2.4
Weighted Total.....	156.7	157.0	158.4 _r	-0.2	-1.1	Weighted Total.....	154.8	154.5	155.4	+0.2	-0.4
Bridgeport						Denver					
Food.....	190.4	191.0 _r	198.3 _r	-0.3	-4.0	Food.....	202.5	202.4 _r	212.5	a	-4.7
Housing ¹	107.3	107.3	107.1	0	+0.2	Housing ¹	113.4	113.4	119.4	0	0
Clothing.....	137.5	137.9 _r	146.9	-0.3	-6.4	Clothing.....	151.8	151.8	155.2	0	-2.2
Fuel ²	147.0	149.2	152.4 _r	-1.5	-3.5	Fuel ²	105.0	105.5	105.2	-0.5	-0.2
Housefurnishings.....	144.7 _r	143.7	154.9	+0.7	-6.6	Housefurnishings.....	140.6	140.0	152.4	+0.4	-7.7
Sundries.....	170.2	170.2	168.7	0	+0.9	Sundries.....	147.7	147.3	145.9	+0.3	+1.2
Weighted Total.....	158.7	159.1 _r	162.5	-0.3	-2.3	Weighted Total.....	156.0	155.9 _r	159.4	+0.1	-2.1
Buffalo						Des Moines					
Food.....	213.7	219.2 _r	215.9	-0.2	+1.3	Food.....	201.2	200.3	204.1	+0.4	-1.4
Housing ¹	121.5	121.5	117.8 _r	0	+3.1	Housing ¹	109.9	109.9	107.7	0	+2.0
Clothing.....	141.9	142.2	148.4	-0.2	-4.4	Clothing.....	152.3	152.7 _r	161.9	-0.3	-5.9
Fuel ²	145.9	145.9	146.2 _r	0	-0.2	Fuel ²	153.4	153.4	151.2 _r	0	+1.5
Housefurnishings.....	145.2	145.2	155.6	0	-6.7	Housefurnishings.....	150.3	148.7	159.7 _r	+1.1	-5.9
Sundries.....	154.3	154.5 _r	149.4	-0.1	+3.3	Sundries.....	149.2	149.2	145.6	0	+2.5
Weighted Total.....	165.9	166.1 _r	164.3 _r	-0.1	+1.0	Weighted Total.....	157.3	157.0 _r	157.8	+0.2	-0.3
Chattanooga						Detroit					
Food.....	198.2	200.8	208.2	-1.3	-4.8	Food.....	201.5	205.0	208.3	-1.7	-3.3
Housing ¹	133.6	133.6	103.7	0	+28.8	Housing ¹	115.0	115.0	114.5	0	+0.4
Clothing.....	130.8	130.7	147.4	+0.1	-11.3	Clothing.....	141.0	141.6	150.7	-0.4	-6.4
Fuel ²	137.8	137.3	133.0	0	+3.2	Fuel ²	148.9	148.1 _r	151.0 _r	+0.5	-1.4
Housefurnishings.....	109.3	109.3	135.5	0	-19.3	Housefurnishings.....	151.2	150.9	162.6	+0.2	-7.0
Sundries.....	142.5	141.2	139.1	+0.9	+2.4	Sundries.....	164.9	164.9	162.3	0	+1.6
Weighted Total.....	154.6	155.0 _r	154.6	-0.3	0	Weighted Total.....	161.4	162.5 _r	164.4	-0.7	-1.8

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

_rRevised.

aLess than 0.1%.

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES—Continued

Source: THE CONFERENCE BOARD

*NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950		Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950
Duluth						Kansas City, Mo.					
Food.....	200.7	199.4	203.0	+0.7	-1.1	Food.....	186.6	186.8	192.1	-0.1	-2.9
Housing ¹	112.9	112.9	109.8	0	+2.8	Housing ¹	110.7	110.7	109.6	0	+1.0
Clothing.....	152.9	153.0	161.2	-0.1	-5.1	Clothing.....	149.6	149.6	157.2	0	-4.8
Fuel ²	150.2	149.6	151.0	+0.4	-0.5	Fuel ²	121.1	121.1	121.4	0	-0.2
Housefurnishings.....	157.4	156.5	171.4	+0.6	-8.2	Housefurnishings.....	138.5	138.5	145.0	0	-4.5
Sundries.....	147.8	147.8	144.3	0	+2.4	Sundries.....	151.5	152.5	150.6	-0.7	+0.6
Weighted Total.....	161.5	160.9	162.3	+0.4	-0.5	Weighted Total.....	152.0	152.4	154.3	-0.3	-1.5
Erie, Pa.						Lansing					
Food.....	214.1	215.2	218.1	-0.5	-1.8	Food.....	206.7	208.0	220.7	-0.6	-6.3
Housing ¹	124.0	124.0	123.2	0	+0.6	Housing ¹	110.8	110.8	102.6	0	+8.0
Clothing.....	165.9	167.0	171.4	-0.7	-3.2	Clothing.....	142.0	142.4	155.4	-0.3	-8.6
Fuel ²	153.7	153.7	156.5	0	-1.8	Fuel ²	142.5	141.8	140.87	+0.5	+1.2
Housefurnishings.....	147.3	146.07	155.27	+0.9	-5.1	Housefurnishings.....	151.8	153.8	161.97	-1.3	-6.2
Sundries.....	162.3	162.4	159.1	-0.1	+2.0	Sundries.....	158.8	157.8	155.2	+0.6	+2.3
Weighted Total.....	170.8	171.2	172.1	-0.2	-0.8	Weighted Total.....	158.8	158.9	161.97	-0.1	-1.9
Fall River						Los Angeles					
Food.....	188.0	188.57	194.8	-0.3	-3.5	Food.....	199.2	201.17	212.4	-0.9	-6.2
Housing ¹	106.9	106.9	106.9	0	0	Housing ¹	113.1	113.1	111.9	0	+1.1
Clothing.....	152.0	152.47	165.3	+0.3	-8.0	Clothing.....	139.0	138.9	143.6	+0.1	-3.2
Fuel ²	143.1	144.5	150.4	-1.0	-4.9	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	129.0	128.8	139.5	+0.2	-7.5	Housefurnishings.....	139.0	139.0	143.77	0	-3.3
Sundries.....	154.6	154.6	151.5	0	+2.0	Sundries.....	150.2	150.7	144.6	-0.3	+3.9
Weighted Total.....	155.8	156.2	159.5	-0.3	-2.3	Weighted Total.....	154.0	154.7	156.6	-0.5	-1.7
Grand Rapids						Louisville					
Food.....	196.7	194.97	207.2	+0.9	-5.1	Food.....	204.7	205.4	214.0	-0.3	-4.3
Housing ¹	125.7	125.7	115.57	0	+8.8	Housing ¹	107.1	107.1	107.1	0	0
Clothing.....	136.6	136.6	146.57	0	-6.8	Clothing.....	138.2	138.8	150.3	-0.4	-8.1
Fuel ²	159.3	158.17	155.67	+0.8	+2.4	Fuel ²	161.1	161.1	156.1	0	+3.2
Housefurnishings.....	156.1	155.3	169.67	+0.5	-8.0	Housefurnishings.....	154.1	153.67	162.7	+0.4	-5.3
Sundries.....	156.7	157.1	155.1	-0.3	+1.0	Sundries.....	161.3	161.4	161.5	-0.1	-0.1
Weighted Total.....	161.1	160.57	163.37	+0.4	-1.3	Weighted Total.....	164.3	164.6	168.9	-0.2	-2.7
Green Bay, Wis.						Macon					
Food.....	206.6	205.17	195.6	+0.7	+5.6	Food.....	193.2	194.4	202.0	-0.6	-4.4
Housing ¹	131.8	131.8	115.2	0	+14.4	Housing ¹	123.7	123.7	123.2	0	+0.4
Clothing.....	161.8	161.4	162.97	+0.3	-6.8	Clothing.....	149.1	149.2	157.2	-0.1	-5.2
Fuel ²	144.7	144.1	140.37	+0.4	+3.1	Fuel ²	126.7	126.7	121.0	0	+4.7
Housefurnishings.....	134.5	134.77	156.27	-0.1	-13.9	Housefurnishings.....	140.5	140.57	154.0	0	-8.8
Sundries.....	148.8	148.67	145.8	+0.1	+2.1	Sundries.....	149.2	149.1	138.8	+0.1	+7.5
Weighted Total.....	161.9	161.4	157.67	+0.3	+2.7	Weighted Total.....	158.4	158.7	158.4	-0.2	0
Houston						Memphis					
Food.....	210.9	209.6	214.37	+0.6	-1.6	Food.....	210.7	212.5	218.0	-0.8	-3.3
Housing ¹	131.4	131.4	111.1	0	+18.3	Housing ¹	114.4	114.4	114.0	0	+0.4
Clothing.....	141.5	141.4	153.1	+0.1	-7.6	Clothing.....	148.8	149.17	157.2	-0.2	-5.3
Fuel ²	81.8	81.8	81.8	0	0	Fuel ²	117.9	117.9	117.9	0	0
Housefurnishings.....	130.2	129.2	143.0	+0.8	-9.0	Housefurnishings.....	146.8	146.8	154.5	0	-5.0
Sundries.....	149.7	149.7	146.2	0	+2.4	Sundries.....	136.9	136.9	132.3	0	+3.5
Weighted Total.....	157.8	157.4	156.4	+0.3	+0.9	Weighted Total.....	154.2	154.77	156.1	-0.3	-1.2
Huntington, W. Va.						Milwaukee					
Food.....	186.9	188.1	194.3	-0.6	-3.8	Food.....	204.0	203.57	210.1	+0.2	-2.9
Housing ¹	117.0	117.0	111.7	0	+4.7	Housing ¹	146.1	146.1	112.5	0	+29.9
Clothing.....	138.2	138.1	147.1	+0.1	-6.1	Clothing.....	154.7	154.7	161.1	0	-4.0
Fuel ²	100.0	100.0	100.0	0	0	Fuel ²	135.6	135.37	134.27	+0.2	+1.0
Housefurnishings.....	140.8	141.6	162.1	-0.6	-13.1	Housefurnishings.....	160.1	158.3	170.6	+1.1	-6.2
Sundries.....	159.2	155.2	151.4	+2.6	+5.2	Sundries.....	157.8	158.4	155.5	-0.4	+1.5
Weighted Total.....	155.8	154.8	156.9	+0.6	-0.7	Weighted Total.....	167.2	167.17	162.87	+0.1	+2.7
Indianapolis						Minneapolis					
Food.....	208.0	207.2	212.6	+0.4	-2.2	Food.....	216.2	217.0	219.8	-0.4	-1.6
Housing ¹	121.0	121.0	119.47	0	+1.3	Housing ¹	109.6	109.6	108.8	0	+0.7
Clothing.....	140.6	140.77	148.4	-0.1	-5.3	Clothing.....	149.2	149.8	157.6	-0.4	-5.3
Fuel ²	159.3	158.8	152.37	+0.3	+4.6	Fuel ²	140.4	140.4	138.57	0	+1.4
Housefurnishings.....	146.5	146.4	152.3	+0.1	-3.8	Housefurnishings.....	152.2	152.0	167.9	+0.1	-9.4
Sundries.....	155.5	156.1	155.1	-0.4	+0.3	Sundries.....	159.5	159.5	154.2	0	+3.4
Weighted Total.....	163.2	163.1	164.97	+0.1	-1.0	Weighted Total.....	164.6	164.9	165.47	-0.2	-0.5

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

³Revised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950		Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950
Muskegon						Portland, Ore.					
Food.....	233.5	234.1	241.2 _r	-0.3	-3.2	Food.....	212.8	210.6	218.4 _r	+1.0	-2.6
Housing ¹	115.4	115.4	115.4	0	0	Housing ¹	122.8	122.8	122.8	0	0
Clothing.....	137.9	138.1	146.1	-0.1	-5.6	Clothing.....	166.4	165.7	171.0 _r	+0.4	-2.7
Fuel ²	162.9	162.9 _r	163.1 _r	0	-0.1	Fuel ²	140.7	140.7 _r	136.4	0	+3.2
Housefurnishings.....	114.2	114.4	132.5	-0.2	-13.8	Housefurnishings.....	135.1	134.9	142.6	+0.1	-5.3
Sundries.....	147.5	147.3	144.2	+0.1	+2.3	Sundries.....	140.4	140.4	138.4	0	+1.4
Weighted Total.....	164.2	164.4 _r	167.4	-0.1	-1.9	Weighted Total.....	162.1	161.4 _r	163.7	+0.4	-1.0
Newark						Providence					
Food.....	199.4	200.2	207.0 _r	-0.4	-3.7	Food.....	200.8	200.9 _r	206.9 _r	<i>a</i>	-2.9
Housing ¹	106.4	106.4	105.7	0	+0.7	Housing ¹	106.2	106.2	106.2	0	0
Clothing.....	135.4	135.7	143.3	-0.2	-5.5	Clothing.....	152.7	152.5 _r	155.6	+0.1	-1.9
Fuel ²	116.6	117.2	117.1	-0.5	-0.4	Fuel ²	142.2	144.0	149.0	-1.3	-4.6
Housefurnishings.....	167.4	167.2	173.6	+0.1	-3.6	Housefurnishings.....	131.7	131.7	140.8	0	-6.5
Sundries.....	145.2	145.4	140.1	-0.1	+3.6	Sundries.....	147.8	145.7	145.3	+1.4	+1.7
Weighted Total.....	156.1	156.5	158.2 _r	-0.3	-1.3	Weighted Total.....	156.3	156.0	158.8 _r	+0.2	-1.6
New Haven						Richmond					
Food.....	191.8	192.6	200.9	-0.4	-4.5	Food.....	222.3	223.5	229.4	-0.5	-3.1
Housing ¹	106.6	106.6	105.7	0	+0.9	Housing ¹	116.2	116.2	116.2	0	0
Clothing.....	148.8	150.1	158.5	-0.9	-6.1	Clothing.....	148.5	148.5	158.3	0	-6.2
Fuel ²	139.8	140.3	142.4	-0.4	-1.8	Fuel ²	139.8	139.8	131.2	0	+6.6
Housefurnishings.....	140.7	141.5	152.8	-0.6	-7.9	Housefurnishings.....	150.9	151.2	162.3	-0.2	-7.0
Sundries.....	128.4	128.5	126.9	-0.1	+1.2	Sundries.....	136.2	136.0	133.4	+0.1	+2.1
Weighted Total.....	148.3	148.8	152.2	-0.3	-2.6	Weighted Total.....	160.1	160.4	162.3	-0.2	-1.4
New Orleans						Roanoke, Va.					
Food.....	208.5	209.3	206.9	-0.4	+0.8	Food.....	197.0	198.5	208.0 _r	-0.8	-5.3
Housing ¹	119.2	119.2	119.4	0	-0.2	Housing ¹	140.6	140.6	139.6	0	+0.7
Clothing.....	149.0	149.2	157.0	-0.1	-5.1	Clothing.....	160.9	161.6	167.2	-0.4	-3.8
Fuel ²	90.6	90.6	91.7	0	-1.2	Fuel ²	156.6	156.6	152.8	0	+2.5
Housefurnishings.....	158.4	158.0 _r	163.2	+0.3	-2.9	Housefurnishings.....	150.9	150.4	160.1	+0.3	-5.7
Sundries.....	139.6	139.6	139.2	0	+0.3	Sundries.....	149.8	149.9	146.3	-0.1	+2.4
Weighted Total.....	161.4	161.8 _r	161.9	-0.2	-0.3	Weighted Total.....	163.8	164.4	166.6	-0.4	-1.7
New York						Rochester					
Food.....	191.3	193.1 _r	198.9 _r	-0.9	-3.8	Food.....	208.3	207.1	211.6 _r	+0.6	-1.6
Housing ¹	104.6	104.6	104.4	0	+0.2	Housing ¹	119.3	119.3	116.7	0	+2.2
Clothing.....	142.5	142.9	153.0	-0.3	-6.9	Clothing.....	145.4	144.9 _r	155.9 _r	+0.3	-6.7
Fuel ²	130.0	130.0	130.1 _r	0	-0.1	Fuel ²	162.3	162.1	159.5	+0.1	+1.8
Housefurnishings.....	150.6	150.2	157.3	+0.3	-4.3	Housefurnishings.....	177.4	177.1	181.9	+0.2	-2.5
Sundries.....	160.4	160.4	160.4	0	0	Sundries.....	156.9	157.6	154.1	-0.4	+1.8
Weighted Total.....	155.9	156.7	160.0 _r	-0.5	-2.6	Weighted Total.....	164.0	163.7 _r	164.7 _r	+0.2	-0.4
Omaha						Rockford, Ill.					
Food.....	219.1	219.8	227.4	-0.3	-3.6	Food.....	220.4	220.6	223.7	-0.1	-1.5
Housing ¹	124.6	124.6	111.3	0	+11.9	Housing ¹	149.4	149.4	145.4	0	+2.8
Clothing.....	141.8	142.7	149.5 _r	-0.6	-5.2	Clothing.....	141.4	141.3	154.4	+0.1	-8.4
Fuel ²	133.1	132.5	133.1	+0.5	0	Fuel ²	150.4	149.9	146.4	+0.3	+2.7
Housefurnishings.....	163.2	163.5	173.8 _r	-0.2	-6.1	Housefurnishings.....	149.3	146.4	163.5	+2.0	-8.7
Sundries.....	151.3	151.2	148.2	+0.1	+2.1	Sundries.....	152.9	153.1	149.7	-0.1	+2.1
Weighted Total.....	164.4	164.6	164.8	-0.1	-0.2	Weighted Total.....	171.3	171.2	172.3	+0.1	-0.6
Philadelphia						Sacramento					
Food.....	184.4	185.6 _r	193.1	-0.6	-4.5	Food.....	204.6	206.4	218.4	-0.9	-6.3
Housing ¹	110.5	110.5	110.4	0	+0.1	Housing ¹	115.5	115.5	115.3	0	+0.2
Clothing.....	132.6	133.1	144.4	-0.4	-8.2	Clothing.....	161.2	161.5 _r	169.3	-0.2	-4.8
Fuel ²	147.2	147.2	144.5	0	+1.9	Fuel ²	76.2	76.2	74.7	0	+2.0
Housefurnishings.....	147.7	147.7	151.3	0	-2.4	Housefurnishings.....	156.7	157.4	175.9	-0.4	-10.9
Sundries.....	152.4	152.4	150.1	0	+1.5	Sundries.....	151.2	151.3	147.5	-0.1	+2.5
Weighted Total.....	154.4	154.9	158.2	-0.3	-2.4	Weighted Total.....	158.4	159.0	163.0	-0.4	-2.8
Pittsburgh						St. Louis					
Food.....	198.0	199.0	202.3	-0.5	-2.1	Food.....	199.7	200.8	204.6	-0.5	-2.4
Housing ¹	118.6	118.6	118.6 _r	0	0	Housing ¹	116.6	116.6	113.0	0	+3.2
Clothing.....	141.8	142.1 _r	149.4	-0.2	-5.1	Clothing.....	138.4	138.3	147.3	+0.1	-6.0
Fuel ²	135.1	135.1	137.0	0	-1.4	Fuel ²	150.4	147.9	146.8 _r	+1.7	+2.8
Housefurnishings.....	137.6	137.4	145.5	+0.1	-5.4	Housefurnishings.....	131.0	131.0	151.6	0	-13.6
Sundries.....	151.3	151.4	149.8	-0.1	+1.0	Sundries.....	140.7	140.0	137.1	+0.5	+2.6
Weighted Total.....	157.6	157.9	159.9 _r	-0.2	-1.4	Weighted Total.....	156.1	156.1	157.7 _r	0	-1.0

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.

²Includes electricity and gas.

^rRevised.

*a*Less than 0.1%.

CONSUMERS' PRICE INDEXES FOR FIFTY-SIX CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950		Feb. 1950	Jan. 1950	Feb. 1949	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950
St. Paul						Syracuse					
Food.....	211.0	210.8	213.4	+0.1	-1.1	Food.....	199.7	200.9	203.3	-0.6	-1.8
Housing ¹	108.2	108.2	107.7	0	+0.5	Housing ¹	124.5	124.5	116.7	0	+6.7
Clothing.....	138.5	139.3	146.0 ^r	-0.6	-5.1	Clothing.....	143.7	144.6	152.3	-0.6	-5.6
Fuel ²	139.1	139.0	141.1 ^r	+0.1	-1.4	Fuel ²	149.5	149.6	151.3	-0.1	-1.2
Housefurnishings.....	157.2	156.0	167.2 ^r	+0.8	-6.0	Housefurnishings.....	155.8	156.0	162.8	-0.1	-4.3
Sundries.....	154.3	154.2	149.9	+0.1	+2.9	Sundries.....	143.0	143.0	141.2	0	+1.3
Weighted Total....	160.4	160.3	161.1 ^r	+0.1	-0.4	Weighted Total....	156.9	157.4	157.3	-0.3	-0.3
San Francisco-Oakland..						Toledo					
Food.....	214.6	217.7 ^r	230.3	-1.4	-6.8	Food.....	200.8	200.9	207.3	a	-3.1
Housing ¹	102.7	102.7	102.7	0	0	Housing ¹	126.5	126.5	120.8	0	+4.7
Clothing.....	146.0	146.2	156.9	-0.1	-6.9	Clothing.....	141.9	142.0	154.4 ^r	-0.1	-8.1
Fuel ²	93.6	93.6	91.2	0	+2.6	Fuel ²	149.8	148.6	147.1	+0.8	+1.8
Housefurnishings.....	143.6	143.6	153.3	0	-6.3	Housefurnishings.....	141.5	141.4	148.6	+0.1	-4.8
Sundries.....	155.7	156.8	153.4	-0.7	+1.5	Sundries.....	156.8	156.8	155.3	0	+1.0
Weighted Total....	161.7	163.1	167.5	-0.9	-3.5	Weighted Total....	162.1	162.1	164.2 ^r	0	-1.3
Seattle						Wilmington, Del.					
Food.....	202.0	202.6	213.1 ^r	-0.3	-5.2	Food.....	181.4	182.7	189.2 ^r	-0.7	-4.1
Housing ¹	120.0	120.0	115.9	0	+3.5	Housing ¹	125.8	125.8	121.6	0	+3.5
Clothing.....	132.7	133.5	142.8	-0.6	-7.1	Clothing.....	148.6	149.5	163.9 ^r	-0.6	-9.3
Fuel ²	136.1	136.0	138.8 ^r	+0.1	-1.9	Fuel ²	130.5	130.6	181.0	-0.1	-0.4
Housefurnishings.....	157.6	157.3	168.6	+0.2	-6.5	Housefurnishings.....	145.0	143.1	170.6	+1.3	-15.0
Sundries.....	147.1	147.2	142.9	-0.1	+2.9	Sundries.....	140.6	140.2	138.1	+0.3	+1.8
Weighted Total....	158.5	158.8	161.7	-0.2	-2.0	Weighted Total....	153.1	153.5	157.8 ^r	-0.3	-3.0
Spokane						Youngstown					
Food.....	201.2	200.9	212.1	+0.1	-5.1	Food.....	199.5	201.7	212.5	-1.1	-6.1
Housing ¹	127.0	127.0	110.8	0	+14.6	Housing ¹	107.1	107.1	106.8	0	+0.3
Clothing.....	127.4	127.7	142.7	-0.2	-10.7	Clothing.....	156.7	158.1	167.9	-0.9	-6.7
Fuel ²	149.5	149.5	148.0	0	+1.0	Fuel ²	141.4	141.4	141.4 ^r	0	0
Housefurnishings.....	137.2	136.6	146.9 ^r	+0.4	-6.6	Housefurnishings.....	147.8	147.7 ^r	158.9	+0.1	-7.0
Sundries.....	148.0	148.1	143.3	-0.1	+3.3	Sundries.....	142.5	142.6	142.0	-0.1	+0.4
Weighted Total....	159.7	159.7	160.8	0	-0.7	Weighted Total....	155.0	155.8	160.7 ^r	-0.5	-3.5

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.²Includes electricity and gas.^rRevised.^aLess than 0.1%

PERCENTAGE CHANGES IN INDEXES FOR THREE CITIES

	Weighted Total		Food		Housing ¹		Clothing		Fuel and Light		Housefurnishings		Sundries	
	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950	Jan. 1950 to Feb. 1950	Feb. 1949 to Feb. 1950
Evansville, Ind.....	-0.3	-0.9	-0.8	-3.9	0	+0.8	+0.1	-5.3	+0.2	+0.8	+0.5	-6.1	0	+5.1
Joliet, Ill. ²	+0.2	-0.5	+0.6	+8.1	0	+3.6	-0.1	-5.4	0	+1.6	0	-8.1	0	+2.6
Trenton, N. J.....	-0.3	-3.0	-0.5	-6.6	0	+0.9	-0.1	-5.4	0	+0.1	0	-7.7	-0.3	+2.8

¹Rents surveyed quarterly, January 15, April 15, July 15, October 15.²Includes Lockport and Rockdale.

(Text continued from page 156)

into three groups has been planned to make each group as nearly as possible like the other two from the viewpoint of consumers' price movements. This was accomplished by apportioning the cities among the groups on the basis of population and geographic considerations. Thus, the continuity between the old "Consumers' Price Index for the United States," and the new "Consumers' Price Index for Fifty-four U. S. Cities" was not destroyed.

Formerly, rents were surveyed in January, April, July, and October for all cities. The new program calls for a survey of one third of the cities every month.¹ Thus, a monthly reading may be taken from the combined cities indexes, though in any given city the measurement of movements in rent levels will continue on a quarterly schedule.

SHIRLEY FASS
Statistical Division

¹This applies to the ten "monthly" cities as well.

Wage Settlement Announcements—Feb. 15 to Mar. 15

- A. Wage Increase Announcements
 B. Settlements for Fringe Benefits Only
 C. No Change in Wage Structure
 D. Wage Decrease

Note: Adjustments verified by company unless otherwise specified.

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products</i>							
Allied Chemical and Dye Corporation National Works General Chemical Division Celanese Corporation of America.... Narrows, Va.	WE	\$0.03 hr.	12-12-49	n.a.	n.a.	n.a.	(UMW, Dist. 50)
Food Machinery and Chemical Corp., Niagra Chemical Division Richmond, Calif.	WE	\$0.06 hr.	10-1-49	14	n.a.	n.a.	Wage reopening 9-1-50. Contract expires 9-1-52. (Int. Ass'n Machinists, Ind.)
Niagra Chemical Division..... Pine Bluff, Ark.	WE	\$0.05 hr.	12-22-49	69	n.a.	n.a.	Wage reopening after 12-22-50 once only for wage rates. Contract expires 12-22-51. (Int. Chemical Workers, AFL)
Niagra Chemical Division..... Burlington, Vt.	WE	\$0.05 hr.	10-1-49	21	n.a.	n.a.	Also four paid holidays making a total of eight. Contract expires 10-1-50. (UMW)
General Aniline and Film Corporation Grasselli, N. J.	WE	\$0.06 hr. across board	11-1-49	1,200	\$1.33 hr. labor rate \$1.74 hr. average rate	5-2-49	Severance allowance based on length of service for retiring employees. Ten-cents-an-hour premium for Bosun's chair and swinging scaffold work. Company furnishes uniforms for over-the-road truck drivers. Time off with pay for license examinations required on job.
	S	\$2.50 wk. across board	11-1-49	320	see remarks	5-2-49	Existing benefits liberalized: temporary disability benefits increased by 10 percentage points for hourly employees—5 percentage points for salaried. Hourly allowance for off-schedule reporting increased from \$1.65 to \$1.71. (General Aniline Employees' Organization, Ind.)
*Hercules Powder Co..... Parlin, N. J.	WE	\$0.06 hr.	3-50	1,300	n.a.	n.a.	Previous rates: \$33.75 week, start; \$60.64 week average.
Spencer Kellogg & Sons, Inc..... Chicago, Ill.	WE	5%	2-1-50	90	\$1.37 hr. to \$1.70 hr.	2-1-49	Two-year contract provides: welfare benefits totaling four cents to seven cents hour; double time for work over twelve hours; double time and a half for holiday work. (Int. Chemical Workers, AFL)
McKesson & Robbins, Inc..... Detroit, Mich.	WE	\$0.05 hr.	12-1-49	n.a.	n.a.	n.a.	Contract ends 2-1-51. Increases were seven cents or eight cents hour. Three weeks' vacation after 15 years' service. (UMW, Dist. 50)
The Norwich Pharmacal Company... Norwich, N. Y.	WE	\$0.05 hr. straight time \$0.25 hr. incentive	1-22-50	315	\$1 hr. labor midpoint	1-22-49	Two-year agreement provides a five cent increase 12-1-50. (Office Employees Int'l Union, AFL)
The Permutit Co..... Brooklyn, N. Y.	WE	\$0.05 hr.	2-1-50	n.a.	n.a.	n.a.	Group insurance and retirement and incentive plans which were already in effect are now mentioned in contract. (Int. Chemical Workers, AFL)
Stauffer Chemical Company..... San Francisco, El Cerrito, Calif.	WE	\$0.075 hr.	9-1-49	125 approx.	\$1.59 hr. average	9-1-48	Contract expires in two years; provides for one wage reopening on or before 2-1-51. (United Electrical, Radio and Machine Workers, Ind.)
Brooklyn, N. Y.	WE	\$0.02 hr.	12-21-49	125	see remarks	12-21-48	To receive additional five cents 9-1-50. Five days' annual sick leave after one year. Family coverage—hospital, surgical and medical insurance—company paid. (Int. Union Mine, Mill & Smelter Workers)
Chauncey, N. Y.	WE	\$0.03 hr.	2-1-50	120	see remarks	2-1-49	Wage reopening Dec. 21, 1950. Three weeks' vacation after fifteen instead of twenty years' service. Previous rates: \$1.17 to \$1.26 hour, labor; \$1.33 to \$1.51 hour, operator; \$1.33 to \$1.68 hour, mechanic. (Int. Chemical Workers, AFL)
Harvey, La.	WE	\$0.02 hr.	2-14-50	60	\$0.96 hr. labor \$1.38 hr. mechanic	2-14-49	Wage reopening 2-1-51. Previous rates: \$1.32 to \$1.345 hour, labor; \$1.36 to \$1.42 hour, operator; \$1.57 to \$1.62 hour, mechanic. (UMW, Dist. 50)
							Wage reopening Feb. 14, 1951. (UMW, Dist. 50)

A—WAGE INCREASE ANNOUNCEMENTS—FEBRUARY 15 TO MARCH 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Food and Allied Products</i>							
The American Sugar Refining Company Baltimore, Md.	WE	\$.05 hr.	12-1-49	1,100	\$1.16 hr. base rate	12-1-48	Increases in job differentials. Pay for jury duty. Liberalized vacation allowance—three days' vacation to employees who have between seven and twelve months' service. (United Packinghouse Workers, CIO)
*Campbell Soup Co..... Camden, N. J. Chicago, Ill.	WE	\$.04 hr.	3-50	10,000	n.a.	n.a.	Also three weeks' vacation after fifteen years' service; company-paid hospitalization service; life insurance and accident and health insurance (Food, Tobacco, Agricultural & Allied Workers)
John Morrell & Company..... Sioux Falls, S. D.	WE	see remarks	8-12-49	2,800	\$1.15 hr. to \$1.67 hr.	8-12-48	Increase: Five cents hour for each wage bracket above common labor. Three weeks' vacation after fifteen years' service; previously twenty years for men. Sick leave benefits with no waiting period after five years' service; previously ten years' service. (Amal. Meat Cutters & Butcher Workmen, AFL)
Red Star Yeast and Products Company Milwaukee, Wis.	WE	\$4 wk.	retro to 5-1-49	150 approx.	n.a.	6-17-48	One year's service—one week's vacation; three years' service—two weeks' vacation; over twelve years' service—three weeks' vacation. Previously two weeks' vacation after one year. Slight increase in night premiums between midnight and 7:00 A.M., two cents hour. Holiday pay increased from double time to double time and a half. (Int. Union United Brewery, Flour, Cereal, Soft Drink and Distillery Workers, CIO)
William S. Scull Company..... Camden, N. J.	WE	\$.05 hr.	1-1-50	80	n.a.	1-1-49	Wage reopening 11-1-50. Two weeks' vacation after three years' service. Two days' layoff for inventory. (Amal. Meat Cutters & Butcher Workmen, AFL)
Standard Brands, Inc..... Chicago, Ill. Dallas, Texas	WE	\$.05 hr.	12-1-49	81	n.a.	5-6-48	(Food, Tobacco, Agricultural and Allied Workers)
	WE	\$.10 hr.	1-1-50	5	\$1.60 hr.	10-1-47	Two weeks' vacation after three years' service; six paid holidays; five cents and ten cents shift differential, previously five cents and eight cents. (United Brewery, Flour, Cereal, Soft Drink and Distillery Workers, CIO)
Swift & Company..... South San Francisco, Calif.	WE	\$.025 hr. average	12-5-49	500	n.a.	n.a.	(Amal. Meat Cutters & Butcher Workmen, AFL)
<i>Lumber and Allied Products</i>							
Gunnison Homes, Inc..... New Albany, Ind.	WE	\$.06 hr.	2-2-50	350	\$.89 to \$1.31 hr.	1-12-49	Wage reopening 1-12-51. (United Bro. Carpenters & Joiners, AFL)
Standard Chair Company..... Union City, Pa.	WE	\$.035 hr.	1-9-50	85	\$.88 hr. average	10-48	Wage reopening Oct. 1950. (UMW, Dist. 50)
<i>Metals</i>							
American Brass Company..... Ansonia, Torrington, Conn.; Buffalo, N. Y.	WE	\$.05 hr.	1-23-50	4,300 approx.	n.a.	6-28-48	Contract effective until 6-30-51. Previous increase twelve cents hour. (Int. Union Mine, Mill & Smelter Workers, Ind.)
	S	\$2 wk.	1-30-50	15 approx.	n.a.	7-1-48	Contract effective until 7-31-51. Previous increase \$5.90 week. (Int. Union Mine, Mill & Smelter Workers, Ind.)
*American Can Co..... 28 plants	WE	\$.05 hr.	3-16-50	15,000 approx.	\$1.40 hr. average	n.a.	Both: Company-wide Blue Cross hospitalization insurance for employees and their dependents. Two-year contract also provides a \$100-month company-paid pension plan. Workers retiring at age 65 who have 25 years' service will receive a minimum pension of \$100 month. (United Steelworkers, CIO)
Detroit Steel Products Company..... Detroit, Mich.	WE	\$.05 hr.	7-1-49	60	n.a.	n.a.	Wage reopening 7-1-51. (Int. Ass'n. Bridge Structural & Ornamental Iron Workers, AFL)
Kennecott Copper Corporation..... Utah Copper Division	WE	\$.05 hr.	12-16-49	2,500	n.a.	7-1-48	Wage reopening 6-30-51. (Int. Union Mine, Mill & Smelter Workers, Ind.)
Plume & Atwood Manufacturing Company Thomaston, Conn.	WE	\$.05 hr.	1-30-50	325	n.a.	n.a.	Wage reopening 6-30-51. Company paid Connecticut Blue Cross hospitalization insurance for employees and dependents. (Int. Union Mine, Mill & Smelter Workers, Ind.)
Tennessee Copper Company..... Copperhill, Tenn.	WE	\$.05 hr.	1-1-50	1,572	\$1.02 hr. labor	8-8-48	Also equivalent of one cent hour for differential wage adjustments; call-in-time increased from three to four hours at time and one-half; for paid holidays, double time if worked; two weeks' vacation after three instead of five years; three weeks' vacation after 25 years. Health and accident insurance, and \$1,500 life insurance. T life insurance was already in force but not covered by contract. (Int. Chemical Workers, AF
	S	\$10 mo.	1-1-50	333	n.a.	n.a.	

A—WAGE INCREASE ANNOUNCEMENTS—FEBRUARY 15 TO MARCH 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metals (Continued)</i>							
Union Carbide and Carbon Corp.... Electro Metallurgical Div. Glen Ferris, W. Va.	WE	\$.06 hr.	1-16-50	n.a.	n.a.	n.a.	(United Gas, Coke and Chemical Workers, CIO)
<i>Metal Manufactures</i>							
Falstrom Company..... Newark, N. J.	WE	\$.05 hr.	2-14-50	100	n.a.	n.a.	Wage reopening 2-13-51. (United Electrical, Radio and Machine Workers, Ind.)
Food Machinery & Chemical Corp... Lakeland, Fla.	WE	\$.02 hr.	12-5-49	119	n.a.	n.a.	(Int. Bro. Boilermakers, AFL)
Harter Corporation..... Sturgis, Mich.	WE	\$.085 hr.	1-1-50	100 approx.	\$1.345 hr. unskilled \$1.445 hr. skilled	7-19-48	Wage reopening 1-17-51. Six paid holidays except when holiday falls on Saturday. More extensive coverage of sickness and hospitalization benefits. Additional cost absorbed by the company. (Int. Ass'n Machinists, Ind.)
Hercules Steel Products Corporation. Galion, O.	WE	\$.02 to \$.23 hr.	1-16-50	135	n.a.	n.a.	Increases granted to eliminate inequities. Six paid holidays. (Int. Ass'n Machinists, Ind.)
R. Hoe & Company..... Bronx, N. Y.	S	\$2 wk.	1-1-50	175	n.a.	1-1-49	Wage reopening 1-1-51. Last increase \$6 week. (Office Employees Int. Union, AFL)
The Magnavox Company..... Fort Wayne, Ind.	WE	\$.045 hr.	1-1-50	1,200	n.a.	n.a.	Wage reopening 1-1-51. Increased insurance benefits—life from \$1,000 to \$2,000 for employees with ten years' seniority; daily hospital benefits from \$3 to \$6 for women, \$5 to \$6 for men; weekly sickness benefit from \$20 to \$30 for men and \$10 to \$20 for women; surgical benefit from maximum of \$150 to \$200; dependent's hospital benefit from \$3 to \$5 and surgical from \$75 to \$120. Plan remains contributory with company assuming added cost. (United Elec., Radio, Machine Workers, Ind.)
Minneapolis-Honeywell Regulator Co. National Regulator Division Chicago, Ill.	WE	\$.05 hr.	2-13-50	n.a.	n.a.	n.a.	Result of reopening of 8-23-49 contract. Contract, effective until 3-1-52, can be reopened on 60 days' notice prior to 3-15-51. (United Electrical, Radio & Machine Workers, Ind.)
<i>Paper and Allied Products</i>							
Brown Company..... Berlin, N. H.	WE	\$.058 hr. retro. to 9-29-49 weighted average		370	n.a.	n.a.	(Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL)
Gulf States Paper Corporation..... Tuscaloosa, Ala.	WE	\$.01 hr.	12-1-49	1,221	n.a.	10-1-48	(Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL)
Missisquoi Corporation..... Sheldon Springs, St. Albans, Vt.	WE	\$.03 hr.	1-1-50	200	n.a.	n.a.	Wage reopening 1-1-51. One additional paid holiday. (Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL)
<i>Petroleum and Allied Products</i>							
Producers Refining, Inc..... West Branch, Mich.	WE	\$.10 hr.	12-1-49	10	n.a.	8-48	Wage reopening not before 6-30-50. (Oil Workers Int. Union, CIO)
Union Oil Company of California.... Cut Bank, Mont.	WE	\$.01 hr. to \$.10 hr.	1-1-50	n.a.	n.a.	n.a.	Average increase 3.5 cents hour to field department employees. Increases granted to bring rates to the average being paid in the area by industry. Also four weeks' vacation after 25 years' service. Time lost while on strike, layoff or unauthorized absences can not be counted toward earning a vacation. Extra vacations formerly granted in anniversary years discontinued. First three or four weeks' vacation may be taken any time during the calendar year in which 15th or 25th anniversary of service occurs. (Glacier Employees' Ass'n, Ind.)
		\$.01 hr. to \$.05 hr.	1-1-50	n.a.	n.a.	n.a.	Benefits as above. (Oil Workers Int. Union, CIO)
<i>Public Utilities</i>							
*Brooklyn Union Gas Co..... Brooklyn, N. Y.	S	\$2 wk.	2-50	3,500	n.a.	n.a.	Company-financed pension program. Contract expires 6-30-51. (Transport Workers, CIO)
Equitable Gas Company..... Pittsburgh, Pa.	WE	\$.05 hr.	12-16-49	384	n.a.	11-16-48	In addition to increase, adjustments of 3 cents to 5.5 cents hour in certain job classifications making the average increase 6.58 cents hour. Minimum pension increased from \$60 to \$75 month, exclusive of Social Security, for employees retiring at age 65 with twenty or more years' service. The maximum coverage under the Group Life Insurance Plan increased from \$3,200 to \$4,200; the sick benefit plan amended—three-day waiting period reduced to one day. One additional holiday, Good Friday. (UMW, Dist. 50)
	S	\$12.43 mo. average	12-16-49	48	n.a.	11-16-48	Increase averages 7.17 cents hour. Same benefits as above. (UMW, Dist. 50)

A—WAGE INCREASE ANNOUNCEMENTS—FEBRUARY 15 TO MARCH 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Transportation</i>							
American Industrial Transit Company Oak Ridge, Tenn.	WE	\$.06 hr.	3-1-50	138	\$1.38 hr. operators \$1.40 hr. starters	3-24-49	Double time for five legal holidays; time and half for one. Sick leave benefits eliminated. (Amal. Ass'n, Street, Electric Railway and Motor Coach Employees, AFL)
Continental Air Lines, Inc. Denver, Col.	S	\$5 to \$15 mo.	2-1-50	40	\$175 to \$240 mo.	11-1-49	Wage reopening 2-1-51. Dinner meal allowance increased twenty-five cents. (Airline Stewards & Stewardesses, AFL)
Flint Trolley Coach, Incorporated... Flint, Mich.	WE	\$.05 hr.	11-22-49	182	\$1.30 hr.	11-22-48	Fifteen-dollar bonus to each union employee at time contract signed. Pension plan and another \$15 bonus contingent upon fare increase. (Transport Workers Union, CIO)
<i>Miscellaneous</i>							
*Bituminous Coal Operators.	WE	\$.70 day	3-5-50	370,000	\$14.05 day basic wage	n.a.	Thirty cents instead of twenty cents a ton to be paid by operators into miners' welfare and retirement fund. Union shop continued with Taft-Hartley qualifications. Memorial section, permitting John L. Lewis to call strikes of any duration in event of a mine disaster, reduced to a maximum of five days a year. Payments withheld from welfare fund to be repaid by 3-15-50. Contract expires 7-1-52; can be reopened for wage meetings after 4-1-51. (UMW, Ind.) (Retail, Wholesale & Dept. Store Union, CIO)
*Liggett Drug Co., Inc. R. I.; Southeastern Mass.	S	\$2 wk.	2-13-50	226	n.a.	n.a.	Increase retroactive to 1-1-50. To receive another \$2 week next March. Work week was reduced from 51 to 48 hours. (Licensed Embalmers Union, AFL)
*Metropolitan Funeral Directors Ass'n. New York, N. Y.	S	\$2 wk.	3-50	500	n.a.	n.a.	Wage reopening 4-30-51. Group insurance changed from contributory to noncontributory. Cost 2.7 cents hour. (United Electrical, Radio & Machine Workers, Ind.)
Stupakoff Ceramic & Manufacturing Company Latrobe, Pa.	WE	\$.05 hr.	1-26-50	165	n.a.	n.a.	Received noncontributory group insurance. Cost 2.7 cents hour. (No union)
	S	none	1-26-50	35	n.a.	n.a.	

B—Settlements For Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Chemical and Allied Products</i>				
Armour & Co. Armour Fertilizer Works Nashville, Tenn.	WE	1-18-50	200	Wage reopening 7-18-50 on 60 days' written notice. Three paid holidays, making a total of six. Rate as of 1-6-49, 85 cents hour. (United Gas, Coke & Chemical Workers, CIO)
Baugh and Sons Company..... Philadelphia, Pa.	WE	12-9-49	325	Group insurance plan for hourly and salaried employees—effective 1-30-50. (Int. Chemical Workers' Union, AFL)
Ciba Pharmaceutical Products, Incorporated Summit, N. J.	WE	1-1-50	342	Wage reopening 11-1-50. Company will pay single contract premium on Blue Cross hospitalization and medical surgical benefits. Paid sick leave increased from five to ten days year maximum. (Int. Chemical Workers' Union, AFL)
Davison Chemical Corporation..... Nashville, Tenn.	WE	1-11-50	250	Three additional paid holidays making a total of six. Current rate effective 1-11-49, 85 cents hour. (United Gas, Coke & Chemical Workers, CIO)
Eastern Gas and Fuel Associates..... Everett, Mass.	WE	1-1-50	1,043	New retirement program. New hospitalization and surgical and sick leave plan paid by company. (United Gas, Coke & Chemical Workers, CIO)
Food Machinery & Chemical Corp..... Niagara Chemical Div. Middleport, N. Y.	WE	12-3-49	147	Wage reopening 12-3-50. Contract expires 12-3-52, provides company-paid group insurance. (Int. Ass'n Machinists, Ind.)
Westvaco Chemical Division..... Newark, Calif.	WE	11-22-49	140	A 3 cent increase would be made effective 11-22-49 if no agreement had been reached on a pension plan by 2-21-50. Rates as of 11-22-49: \$1.73 hour, kiln operator; \$1.67 hour, Class "A" operator; \$1.50 hour, shipping crew; \$1.35 hour, yard crew. Contract expires 11-22-50. Thirty separate union contracts were negotiated by the company in 1949. Fifteen were settled with no wage increase, twelve with increases of from two cents to ten cents. Three contracts are still under negotiation. (Int. Chemical Workers, AFL)
Virginia-Carolina Chemical Corporation. Mt. Pleasant, Tenn.	WE	n.a.	n.a.	One additional paid holiday. (Int. Union, Mine, Mill & Smelter Workers, Ind.)
<i>Food and Allied Products</i>				
American Tobacco Company..... Richmond, Va.; Durham and Reidsville, N. C.	WE	n.a.	n.a.	Increase in weekly sick benefits from \$10 to \$12. (Tobacco Workers Int'l Union, AFL)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Food and Allied Products (Continued)</i>				
*Armour & Company; Wilson & Company; Cudahy Packing Company Western Pa.	WE	2-15-50	n.a.	Reduction in truckload weight from 6,500 to 5,500 pounds—as maximum without a helper. Contract levels wages and weights and establishes a uniform rate of \$1.835 hour. The 5,500-pound weight limit for district packers remained unchanged, but they received ten cents hour more to equal the \$1.835 hour paid by western houses. (Int. Bro. Teamsters, AFL)
Kraft Foods Company..... Sullivan, Ind.	WE	1-26-50	70	Time and one half after 48 hours for employees working in first processing; after 40 hours for employees in second processing. Two weeks' vacation after two years' service. (United Construction Workers, UMW)
*Liquor Teamsters..... New York, N. Y.	WE	3-13-50	495	Employer-financed welfare program affects drivers and their families. Retroactive to 3-1-50. Life insurance, disability benefits, hospitalization and surgical aid to be provided through employer contributions of 3% of pay roll. Companies affected: Hiram Walker, 21 Brands, Park & Tilford, McKesson & Robbins, Austin Nichols and Jardine. (Int. Bro. Teamsters, AFL)
<i>Leather and Allied Products</i>				
International Shoe Company..... Malvern, Ark.	WE S	2-16-50 2-16-50	209 4	(United Textile Workers, AFL) (No union) Wage reopening any time on thirty days' notice. Two paid holidays—Christmas and Labor Day.
Kistler Leather Company..... Elkins, W. Va.	WE	n.a.	n.a.	Wage reopening once during 1950. Three paid holidays, Thanksgiving, Christmas and New Year's. Daily hospital benefit increased from \$4 to \$6. Miscellaneous hospital charges from maximum of \$20 to \$60. Surgical benefits from maximum of \$150 to \$200. Company to pay additional premium. Average rate effective 9-48, \$1.075 hour. (UMW, Dist. 50)
<i>Metal Manufactures</i>				
Cutler-Hammer Inc..... Milwaukee, Wis.	S	2-7-50	n.a.	Three weeks' vacation after 15 years' service. Contract expires 6-30-50. (Associated Unions of Amer., Ind.)
General Cable Corporation..... Rome, N. Y.	WE	1-16-50	1,500	Wage reopening 9-1-50. Insurance plan to cover employees and dependents. (United Electrical, Radio, Machine Workers, Ind.)
Grand Haven Stamped Products Co.... Grand Haven, Mich.	WE	11-8-49	45	Two weeks' vacation after five years. Six paid holidays. (UAW, AFL)
Kelsey-Hayes Wheel Company..... Jackson, Mich.	WE	4-1-50	n.a.	Wages may be reopened at any time. Company to pay up to ten cents hour for pension and social insurance; details to be worked out and agreed upon prior to 4-1-50. (UAW, AFL)
The Massey-Harris Company..... Racine, Wis.	WE	2-1-50	n.a.	Wage reopening 9-22-50. Noncontributory pension plan of \$100 month including Social Security to employees aged 65 with 25 or more years' service. Company-paid group insurance for employees effective 3-1-50. Cost of insurance four cents hour per employee. (UAW, CIO)
*Timken Roller Bearing Co..... Interstate	WE	2-50	n.a.	Several hundred hourly paid workers not represented by the CIO United Steelworkers chose the Timken joint contributory pension plan over the noncontributory CIO Bethlehem formula. (No union)
Whitin Machine Works..... Whitinsville, Mass.	WE	1-13-50	n.a.	Company-paid social insurance program for employees. Contract expires 12-31-50. (United Steelworkers, CIO)
*Youngstown Sheet & Tube Co..... Youngstown, O.; Chicago Area	WE	3-1-50	22,000	Company-paid pensions to employees retiring because of age or disability
<i>Metals</i>				
Aluminum Company of America..... Massena, N. Y.	WE & S	n.a.	n.a.	Contract extended to 6-1-52; wages may be reopened after 12-1-50. Insurance increased from \$1,000 to \$2,000 life before retirement, \$500 to \$1,500 life after retirement; hospitalization from \$5 day to \$8.50 day for 31 days with special benefits up to ten times the daily benefit; surgical schedule increased from \$150 to \$225 maximum. Sick leave for hourly paid employees increased from \$13 for 15 weeks to \$26 for 26 weeks with a seven-day waiting period. Salary paid employees continued under the company's present sick-leave plan with at least the amount of benefits granted to the hourly paid employees guaranteed to the salary paid employees. An annual retirement benefit of 1.18% times total earnings with a minimum of \$100 month to workers age 65 with 25 years' service, scaling down to \$60 month to those with 15 years' service. Social Security benefits to be offset. Salary paid employees pension plan to contain benefits not less than the plan for hourly paid employees. (Office Employees Int. Union, AFL)
American Magnesium Corporation..... Buffalo, N. Y.	WE S	1-12-50 1-12-50	252 48	(UMW, Dist. 50) (No union) Increased insurance benefits. Death benefit from \$1,000 to \$2,000; hospitalization, from \$5 a day to \$8.50; sickness benefits from \$15 week for 13 weeks to \$26 week for 26 weeks; surgical benefits, from \$150 maximum to \$225. Contract was extended to 4-14-52; provides one wage reopening after 12-1-50.
<i>Paper and Allied Products</i>				
Piqua Paper Box Company..... Piqua, O.	WE	10-31-49	50	Wage reopening 10-31-50. Six paid holidays; two weeks' vacation after three instead of five years' service. (United Paperworkers, CIO)
Wausau Paper Mills Company..... Brokaw, Wis.	WE	9-1-49	392	Wage reopening 5-31-50. Night shift differential increased one cent. One paid holiday, Christmas, counted as time worked for weekly overtime purposes. (Int. Bro. Papermakers, AFL; Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Petroleum and Allied Products</i>				
*Sinclair Oil & Gas Co.; Sinclair Refining Co.	WE	see remarks	10,000	Monthly pension agreement of \$125 to become effective when Congress passes the pending Social Security bill. (Oilworkers Int. Union, CIO)
Union Oil Company of Calif.....	WE	1-1-50	n.a.	Four weeks' vacation after 25 years' service. Time lost while on strike, layoff or unauthorized absences can not be counted toward earning a vacation. Extra vacations formerly granted in anniversary years discontinued. First three or four weeks' vacation may be taken any time during the calendar year in which fifteenth or twenty-fifth anniversary of service occurs. (Malthe Employees' Protective Ass'n, Ind.; Union Service Station Employees' Ass'n, Ind.; Int. Bro. Teamsters, AFL; Radio Officers Union, AFL)
<i>Rubber and Allied Products</i>				
Goodyear Tire & Rubber Company.....	WE	2-17-50	800	Contract expires 2-17-52. Pension and insurance agreement effective 4-1-50 to 4-1-55. (United Textile Workers, AFL.) See page 141.
Rockmart, Ga.				
*Goodyear Tire & Rubber Co.....	S	2-21-50	13,000	Affects salaried workers. Company-financed pensions of \$100 month minimum including Social Security and company-paid life and accident insurance policies. A more liberal annuity for salaried employees earning more than the \$3,000 covered by Social Security.
(10 plants)				
<i>Stone, Clay and Glass Products</i>				
Harbison-Walker Refractories Company.	WE	12-20-49	n.a.	Insurance program effective 5-1-50. Cost five cents hour shared equally by employer and worker. Company-paid pension program. Workers who have fifteen years' service at age 65 are entitled to receive a pension. (United Gas & Coke & Chemical Workers, CIO)
East Chicago, Ind.				
*National Ass'n of Pressed and Blown Glassware	WE	see remarks	8,000	Contract agreed upon in February, 1950, is retroactive to the first Monday in September, 1949. Three paid holidays—Christmas, Labor Day, one to be decided. Two weeks' paid vacation. Union proposals for a pension plan of \$100 month together with association surveys to be submitted to insurance actuaries. Results of survey will be discussed in July at the 1950 annual wage conference. Five hundred automatic machine operators and 7,500 workers in the miscellaneous division are affected. (Amer. Flint Glass Workers Union, AFL)
<i>Woolen and Worsted Goods</i>				
*Alexander Smith & Sons Carpet Co....	WE	n.a.	15,000	Announced 3-19-50. Pension plan—details to be worked out. See page 140.
Yonkers, N. Y.;				
Bigelow-Sanford Carpet Co.				
Thompsonville, Conn., Amsterdam, N. Y.;				
A. & M. Karagheusian Carpet Co.				
Freehold, Roselle Park, N. J.				
Botany Mills, Inc.....	WE	n.a.	n.a.	Increased surgical insurance benefits for employees. Increased hospital insurance benefits for employees extended to include dependents. (Textile Workers Union, CIO)
Passaic, N. J.				
<i>Miscellaneous</i>				
*Consolidated Edison Company of N. Y.	WE	4-1-50	30,000	Pension plan revised. See page 140. (Utility Workers Union, CIO)
New York, N. Y.				
*General American Transportation Company	WE	3-2-50	2,700	Noncontributory pensions of \$100 month minimum. Also insurance and hospitalization benefits covering workers and their dependents. Pension plan is effective 5-1-50. (United Steelworkers, CIO)
Chicago, Ill.; Sharon, Pa.; St. Paul, Colton, Calif.; Hearne, Tex.; Argentine, Kan.; Omaha, Neb.; East Chicago, Ind.				
*Metropolitan Garage Board of Trade...	WE	3-9-50	3,000	A \$300,000 year welfare fund—noncontributory. Cost \$2 week maximum. Also six paid holidays, previously three. Present wage scale ranges from \$57 to \$84 week. Seven hundred garages were affected. (Garage Washers & Polishers Union, AFL)
Manhattan and Bronx, N. Y.				

C—No Change In Wage Structure

Company	Type of Worker ¹	No change		Remarks
		Date Effective	Number Affected	
American Potash and Chemical Corp....	WE	12-49	n.a.	Wage reopening of 12-1-48 contract. Entire contract can be reopened in fall of 1950 by either party. (Int. Union Mine, Mill & Smelter Workers, Ind.)
Trona, Calif.				
Brown Shoe Company.....	WE	12-6-49	n.a.	Cost of living allowance incorporated into general wage structure. Contract expires 11-1-50. (UMW, Dist. 50)
Murphysboro, Ill.				
Gaylord Container Corporation.....	WE	3-3-50	50	Contract expires 3-2-51. (Int. Bro. Pulp, Sulphite & Paper Mill Workers, AFL)
St. Louis, Mo.				
The Lake City Malleable Company.....	WE	1-10-50	250	(UAW, AFL)
Ashtabula, O.				
Lane Bryant.....	S	n.a.	n.a.	Contract extended for additional fifteen months. To expire 1-31-52. No wage reopening provided. Adjustments in minimums for nonselling employees—previously \$26 week with a step up to \$30 after six months; currently \$28 week; \$29 after three months; \$30 after six months. Work week remained at 40 hours, to be worked in five instead of five and one half days. Change in layoff system. (Retail, Wholesale, Dept. Store Union)
Chicago, Ill.				
Wanskuck Company; Oakland Worsted Co.	WE	2-2-50	2,300	Wage reopening 8-50. (Textile Workers Union, CIO)
Providence, R. I.				

D—Wage Decrease

Company	Type of Worker ¹	Decrease			Remarks
		Amount	Date Effective	Number Affected	
Pittsburgh Consolidation Coal Co., Pittsburgh, Pa.	S	see remarks	3-50	2,700	Salaried employees' pay was reduced on a graduated scale. Reductions ranged from 20% in the higher brackets to 5% in the lower.

¹ Type of worker: WE, wage earner; S, salaried employee.
 obtained from press reports—information not verified.
 Not available.

DORIS K. LIPPMAN
 Statistical Division

When the Company Moves

(Continued from page 137)

ount, but he could check with the personnel department to help determine what expenses should be allowed.

SALE OF PROPERTY

Company representatives in North Carolina contacted real estate dealers and in other ways helped transferred employees find residences. The personnel organization appointed a "housing assistant" for his purpose. In the meantime, the real estate division of the company had the employee's home in New Jersey appraised and offered to purchase it from him. The employee had the option of selling his property to the company or elsewhere. In recent years Western Electric employees have often made their own sales.

The housing situation in North Carolina was very tight and the new arrivals found that practically the only way they could get a house was to buy one. The company in some cases made temporary loans, not to exceed half a year's pay, which the employee could use as down payment. The loans were short term, made on an individual basis. This was a special measure inaugurated to meet the emergency.

In addition, second mortgage loans amortizing through deduction from pay in a maximum of five years were granted to employees who did not have sufficient down payment to bridge the gap between first mortgage and purchase price.

Another unusual practice resulting from the extreme difficulty in finding living quarters was to permit employees to return to New Jersey at company expense to visit their families over weekends. Some of the men made such trips at three-week intervals or a period of several months.

If the employee had paid rent or board in advance at his old location and could not obtain a refund, the company reimbursed him for his loss. The company also saw that the employee suffered no loss from unexpired leases.

MOVING EXPENSES

The company paid all costs of transporting the employee and his dependents to their new residence.

Dependents were defined as those living with the employee and dependent upon him for support. The company also paid for transporting the employee's furniture (including cost of insurance en route) or for putting it in storage. Storage charges were paid for a "reasonable period" before and after shipment. If the employee decided not to ship his furniture, the company would contribute to the cost of storage a sum equivalent to the cost of moving the furniture to North Carolina.

In addition, incidental moving expenses up to \$300 per employee were paid when clearly established as occasioned by the transfer. Examples of items voucherable under this provision were itemized in the company's instructions. Among the long list of items were expenses in connection with the use of the employee's automobile, such as car registration fee and driver's license fee; expenses in regard to housefurnishings, such as having rugs cut to size and fitting Venetian blinds; charges for cleaning house windows and floors; and the cost of removing and installing household equipment such as stoves, washing machines, refrigerators, air-conditioning equipment and ventilating fans.

The staff assigned to work at Kearny with the employees who were not moved attempted to find jobs for them in other Western Electric operations. Employees who were not thus absorbed received termination allowances based on length of service, in accordance with established company policy.

SPECIAL TRANSFER OF LONG-SERVICE WORKERS

Western Electric has had one recent experience of moving a number of employees due to complete cessation of activities in a long-established location. This was in 1948 when a distributing house in Omaha, Nebraska, was closed and the work consolidated with similar operations at Minneapolis. In this exceptional case, offers of transfer to Minneapolis at company expense were made to about 90 out of 140 Omaha employees. The employees to whom the offer was not extended had very short service.

Practically all who were invited to move accepted. The group which was transferred included hourly workers as well as technical and supervisory employees. Ample advance notification was given, and the transfers took place on a gradual basis over a

period of six months as the various operations were moved. The employees who remained in Omaha were either placed in other Bell System organizations or given termination allowances based on length of service. An employee could quit at any time during the six months and receive his termination allowance.

Special assignments were set up and individuals were designated to advise employees, to help them obtain transportation and furniture-moving service, and to assist them in locating quarters in Minneapolis. Employees with dependents were encouraged to go to Minneapolis ahead of their families and, while working at their new jobs, look for permanent living accommodations. While in Minneapolis their living expenses were paid for by the company and, if they were not settled within a month, the company paid the expense of a visit to their families. After the employee had tentatively selected a permanent home, the company paid the wife's expenses if she wished to go to Minneapolis to look it over. Only one such trip was paid for; this allowance was made only because the entire unit was being discontinued.

As with other company moves, the expenses of moving were paid by the company. Employee-owned homes were appraised and purchased if the employee wished, and short-term loans were made to assist in the purchase of homes in Minneapolis.

The company does not make any cost of living adjustments in salary or wages in connection with transfers of groups of employees. In a few instances the available jobs at new locations have involved some downgrading of employees. For the most part, however, when employees have been moved, they have taken positions of equal or higher rating than the ones they left.

GENEVA SEYBOLD

Division of Personnel Administration

Help for the Alcoholic

(Continued from page 142)

"5. Admitted to God, to ourselves, and to another human being the exact nature of our wrongs.

"6. Were entirely ready to have God remove all these defects of character.

"7. Humbly asked Him to remove our shortcomings

"8. Made a list of all persons we had harmed, and became willing to make amends to them all.

"9. Made direct amends to such people wherever possible, except when to do so would injure them or others.

"10. Continued to take personal inventory and when we were wrong promptly admitted it.

"11. Sought through prayer and meditation to improve our conscious contact with God as we understood Him, praying only for knowledge of His will for us and the power to carry that out.

"12. Having had a spiritual awakening as the result of these steps we tried to carry this message to alcoholics and to practice these principles in all our affairs."

Dr. Gehrmann points out that the treatment of alcoholics requires time, sympathetic understanding, and firmness. But little can be done to help the inebriate until he recognizes his problem and is ready to accept help.

ETHEL M. SPEARS

Division of Personnel Administration

Recent Pension Plans

(Continued from page 139)

has not contributed under the plan, his minimum pension is reduced by the amount he would have received under the contributory plan. The plan also provides free hospital and surgical benefits for the participating employee and his dependents, free group life insurance and a paid-up life insurance policy of \$1,000 for retired employees. If less than 90% of the eligible employees contribute under the pension plan, the company reserves the right to discontinue all benefits under the agreement, including the contributory pension plan, and may reduce the minimum pension to \$100 a month, less OASI benefits and amounts purchased under the terminated contributory pension program.

F. BEATRICE BROWER

ARAX SIMSARIAN

Division of Personnel Administration

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In the Record

Salesmen Have To Sell Again

The time when salesmen "just took orders" seems to be over. Today sales management is looking around for ways of activating dormant selling talent—and the sales incentive plan is one of the answers they've come up with. But it doesn't end there; like so many other things there are pitfalls that have to be carefully avoided. In "Illusions in Sales Incentive Plans," Elmer Earl examines three points that are sometimes forgotten in the rush: financial reward alone is often not sufficient; the salesman must know *how* to sell; and the size of the reward must be commensurate with the task. For an exploration of these and other points, turn to page 178.

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Vacations: Layoff and Payoff

Is Fred Jones eligible for vacation pay when he is laid off? And if so, how much does he get?

Surprisingly, there is often little guidance offered in the union contract when these questions arise. Of 125 current agreements studied by THE CONFERENCE BOARD, 41% make no mention at all of vacation money at layoff time, while one third require the employee to be already eligible for his vacation when he is laid off.

In thirty-three of the contracts, however, a formula is set up to determine the vacation time accrued. How Fred fares under these different formulas is illustrated by ten cases in the story beginning on page 176.

• • •

What Do You Do in a Shutdown?

And just in case you've gotten the question of vacation pay and layoffs cleared up, you might examine what to do about "Paying Salaries During Shutdowns."

The Board looked into the matter and learned from twenty-five large organizations that have experienced shutdowns in the last two years that there just is no settled policy. In the past, some went all out and paid salaried employees in full during shutdowns that lasted several months. Others swung in the other direction. But a large middle group, as might be expected, says it depends on

circumstances. In this "it depends" group, it appears that a critical period is reached if the shutdown continues longer than a month or two. Then action must be taken to reduce costs. Read the story and actual excerpts from the companies replying on page 170.

• • •

Bedrock for Breakfast?

A "Bedrock" diet may not sound too inviting but it could be worst—it could be the "Low-cost Family Food Plan." These hypothetical diets and their possible application in the grim event of a future war are discussed in "Wartime Food Budgets" on page 179. How they would affect your vitamin intake, how many calories you could count on, and a comparison of these diets with the way we actually ate in 1944 and the way the British people ate in that same year are given in the story.

• • •

Ride a Hobby Horse

What does a shipping clerk do in his spare time?

Maybe he collects firearms. Maybe he paints in oils. But whatever his chosen pastime, a hobby show is the vehicle to bring forward unsuspected talent from even the most retiring member of the organization.

So stimulating have these programs been—both to speculators and participants—that many companies now present them as a regular annual event. Company experience in putting on successful shows, discussed on page 182, answers the "when," "how," and "where" of hobby shows.

• • •

On Probation—For How Long?

How long does it take to find out whether a man can do the job? On this, management and unions differ. Management likes a long testing period to really get to know the new employee; the union prefers it short.

How probationary periods are handled in one hundred contracts of the UAW-CIO (the range is from thirty days to six months) is examined on page 184, with excerpts from the contracts included.

Paying Salaries During Shutdowns

TRADITIONALLY, production workers in industry are paid wages for time worked only. In recent years, it is true, the exceptions have more and more tended to obscure the rule.

Vacation pay, holiday pay, severance pay, sick pay, call-in pay, pay for time spent in settling grievances—these are only a few of the growing number of wage payments that are being made today for activities not directly related to production. But when a firm has to go to a short work week, the production worker's weekly base pay is invariably cut proportionately. Certainly workers are not paid when out on strike.

Yet during periods of shutdown, whether total or partial, few employers are able to reduce their total pay-roll outlay in exact proportion to the cut in production hours. The explanation for this is the policy regarding the salaried pay roll. Even in many manufacturing companies, salaried employees constitute 20% to 25% of the total number employed and payments to these employees are not so readily cut and restored with each shift in the economic winds. There are various reasons for this.

In the first place, the general understanding of the conditions of employment for those on the salaried pay roll has tended to promote a sense of greater stability of employment. Tradition is probably a factor, as well as a feeling on the part of management that the salaried worker is closer to management than is the factory worker. Then too, management is reluctant to risk the adverse effect of salary cuts on the morale of key office and supervisory employees, who might be prompted to look for another job with more liberal salary policies.

But the salaries of employees in the office cannot be continued indefinitely when operations in the plant are curtailed or at a standstill. Sooner or later the point is reached when the management can no longer justify a full week's pay to employees who can not give a full week's work. What factors determine when this point is reached? And what courses of action are open to management?

To gain information on this subject, the National Industrial Conference Board surveyed twenty-five companies which have experienced shutdowns in the last two years. All are large organizations, some having many thousands of employees. Among the industries represented are iron and steel, food, chemical, textile and various durable goods.

The companies were queried as to their practices in paying salaried employees when the plant is shut down or put on a reduced schedule because of strikes, fuel shortages, lack of orders and other causes. They

were asked to cover in their replies the following points:

1. What determines how long you continue salaried employees at full pay?
2. When you can no longer afford to continue such payments, is your first step to lay off less essential salaried employees or to reduce their work week with proportional cuts in salary?
3. Does your practice apply alike to nonsupervisory office workers, to foremen, and to plant managers?

POLICY

What policy do the companies follow in paying salaried employees during shutdowns? It is apparent from the responses that practically all of the companies lack any settled policy. With all of them, each case of shutdown presents different problems and decisions are made to fit the particular circumstances. The practice followed one time might not be adopted the next.

Among the considerations that determine company practice in a given situation are: the prevailing economic climate; the prospects of the industry and of the particular firm in the foreseeable future; the company's financial and cash position; the temper of the unions; prospects of new legislation; whether or not any of the salaried employees are organized; the reason for the strike and the probable duration of the shutdown.

Almost all of the respondents state or imply that during the first days of the shutdown the salaried force is maintained intact, with no cuts in hours or pay. Some departments are little affected at first. Engineering and design work may continue on a normal basis; sales activities may even be intensified. In other departments, however, the employees may soon have little or even none of their usual work to do. Other work may have to be found for them. This may include increasing supervisory coverage, developing statistical information, training programs, bringing records up to date, reviewing cost and production control procedures, methods analysis, and study of problems in individual departments.

Eventually, however, the axe may have to swing. When is this point usually reached?

Here practice varies widely. One company states that it would "very soon" have to adjust the number of its employees, salaried as well as hourly, to the current volume of production. At the other extreme, the president of another company reports that his salaried employees "are paid full pay, no matter how long we are shut down." And another company states that during a strike a few years ago which lasted

everal months, all its salaried employees were retained at full pay.

Between these extremes a middle group reports that critical period is reached when the shutdown continues for between one and two months. A third of the cooperators indicate that at that point they find it necessary to take action to reduce costs.

LAYOFF vs. SALARY CUT

In these circumstances, the majority of the reporting companies state that the first course of action is to lay off less essential salaried employees. As one company points out, the alternative of a general cut in salaries is undesirable, because it "tends to make all employees disgruntled instead of having only a few dissatisfied people to cope with, namely, those who are being laid off." Probably an even more persuasive consideration with many companies is the fact that the effect of the reduction in work load does not fall equally on all jobs. Thus it is more economical to lay off those employees who have nothing to do, rather than to attempt a general redistribution of the work load.

The respondents were asked whether their layoff and salary reduction policies apply alike to exempt and nonexempt (or supervisory and nonsupervisory) employees. Many of the companies have not had recent experience in the matter. Some speculated about what they probably would do under these conditions but no clear tendencies are discernible from the responses.

Several of the companies say that when it becomes necessary to reduce the staff, the cut is effected at all levels. Others state that they lay off the less essential employees first. These two courses may represent basic differences in policy, or they may simply reflect similar policies at different stages of the shutdown.

When cuts in salary are made, the few companies that cover this point in their replies say that the same percentage reduction is made in the salaries of supervisors as in the salaries of rank-and-file employees.

As previously mentioned, all of the cooperating companies are large, well-known firms that have been confronted with shutdowns in recent years. They have had first-hand experience with the necessity for determining how long to continue salary payments. The replies of a number of these companies are therefore reproduced in some detail.

"At the outset, we would like to state that our policy is a flexible one which can be described only in general terms. As the nature and possible duration of the shutdown are of prime importance, we are guided by the following considerations:

"(a) If due to a fuel shortage, the full pay of salaried employees would probably be continued. We have stand-by

fuel and such shortages have never been too serious before.

"(b) If due to fire and/or windstorm damage, the full pay of salaried employees would probably be continued. Our operations are decentralized to some extent and we do not expect a catastrophe.

"(c) If due to strikes, full pay to salaried employees would depend in great measure upon the probable length of the strike. If the strike were short, salaried employees would receive full pay regardless of whether or not they were permitted by the strikers to pass through the picket lines so as to reach their jobs. No pay distinction would be made between those who succeeded in passing the picket lines and those who did not. No layoffs would be made if the strike were short. If the strike appeared to be a long and costly one, a reduction in pay to salaried employees would be announced. This was the program followed during the strike which closed most of our plants last November and December.

"Last year our plants were struck by the CIO on November 4. On November 10, a letter was mailed to salaried employees advising that a reduction of 25% would be made in all salaries if the strike continued until December 11, 1949. If the strike was still in effect on January 8, 1950, salaried employees would then receive 50% of their regular salary. It so happened that our strike ended on December 12, 1949, and no reductions were actually put into effect.

"Certain problems arose in connection with making the proposed reductions. Management decided that the reduction would apply to every salaried employee of the company in the United States, regardless of whether the particular plant in which the employee worked was or was not on strike.

"In certain salary brackets, the proposed reductions had to be accompanied by a reduction in working hours so as to comply with the minimum wage laws. No reduction in hours was scheduled for employees in the higher brackets if they were in a position to continue their regular work.

"(d) If due to lack of orders, retrenchment would probably take several forms. The first step would be to lay off employees considered to be least essential. The second step would be to reduce salaries. The pattern of such a salary reduction has not been determined as of this present date."

* * *

"A year ago we were closed by a strike for a period of six weeks. We retained all salaried employees for the duration of the strike, but had the strike gone into the seventh week we would have furloughed our nonsupervisory office employees. Next we would have furloughed nonsupervisory technical personnel, retaining our supervisory and top technical personnel.

"How long we would continue salaried employees at full pay would depend on the company's financial position. When we could no longer continue payments to all salaried employees we would have reduced the number of such employees as explained above, and not reduced the work week."

* * *

"Our salaried employees are paid full pay, no matter how long we are shut down.

"We have not been faced with the problem [of what to

do after the company cannot afford to continue salary payments]. It seems, if I had to face this question, I would lay everyone off but the plant manager and a skeleton maintenance crew.

"Our policy applies to nonsupervisory office workers, foremen and plant manager."

ENCOURAGE EARLY VACATIONS

"Up to date we have not found it necessary to curtail the earnings of any of our salaried employees [during emergency shutdowns]. We have, however, in instances where the shutdown has been of some duration, suggested to employees that they take their vacations at such time on the basis that a two-week vacation would be recorded as one-week leave of absence with pay. This would mean that the employee who normally enjoys a two-week vacation would still be entitled to another week later in the year. If, however, an employee preferred to take his entire vacation at the time of curtailment of activities, we would grant a three-week period—two weeks of which would be recorded as regular vacation and a third week as a paid leave of absence. At the same time we have recognized the fact that some people plan their vacations well in advance, make reservations, and, particularly where children are concerned, can only take their vacations as a family unit. Therefore we have at no time insisted that the employee take his vacation at a time other than the one he himself has selected.

"We have been quite fortunate in that we have not found it necessary to discontinue salary payments to employees under these circumstances."

* * *

"At such time as there might be a general reduction in the volume of business due to economic or other causes, layoffs would take place as a direct result of the reduced work load. Naturally, effort is made to retain those employees whose long service, abilities and acquired skills have made them superior persons in the organization. Those regular employees with one full year or more of service are entitled to either two weeks' notice prior to termination, or two weeks' in-lieu-of-notice pay when separated for such reasons. Where fuel shortages, insufficient supply of parts due to suppliers' strikes, etc., necessitate short work weeks for a temporary period of time, regular salaried employees are retained at their regular salaries.

"In the two instances when our hourly employees have been on strike, the company has continued to pay full salaries to all salaried employees. This has included non-exempt, exempt, foremen, and others, even though it may not have been possible for them to work during these times. Neither of these strikes lasted as long as a month, and while several possible plans have been prepared for salaried employees in the event of a strike lasting from one to three or more months, no decision has been made and no policy established for such an occurrence. However, the minimum time at full pay for nonworking, nonexempt employees would undoubtedly be at least one month, with two weeks' notice or pay—or a total of six weeks at full pay.

"Employees who are classified as exempt would normally be retained for a longer period than nonexempt. However,

an analysis of each department's personnel needs is made at such a time, and the work of the department projected for any necessary length of time. Employees who can be maintained on 'productive' work would be so scheduled. A further group is labeled 'essential' to the operation of each department and would be maintained indefinitely.

"I wish to emphasize that the above statements are not an established policy, and it is quite probable that all salaried employees would be maintained for a longer period than indicated unless financial and economic conditions at the time dictated otherwise. This is a problem which is as hard for us to solve satisfactorily as it is for other organizations, and you can appreciate the difficulties inherent in any attempt to establish a policy which would be followed regardless of changing factors of an economic, legislative and union nature."

SALARIES CUT FIFTY PER CENT

"We had a strike last year which lasted for approximately thirteen weeks. We continued all of our salaried employees on full pay as long as possible, even though we may have had no work at all for them during most of the strike period. For the last four weeks of the strike, all salaries were cut to half pay with the exception of those who were doing essential work and continued to work during the whole period. We continued the full pay as long as it could be justified by the financial conditions of the company. Beyond that point some changes were necessary.

"The first step which occurred just ahead of the reduction in salaries was to lay off a number of employees who would not be essential when work was resumed. This same policy applied alike to all office workers, foremen and department managers. This, of course, was a policy which was set up at the time for the specific situation which occurred and might not be done in the same way under different circumstances."

* * *

"Our company has no written policy relative to this matter; our practices are purposely flexible. We attempt to look at each case individually as it arises and treat it in the light of circumstances at that time.

"Generally speaking, however, we attempt to work and pay all managerial people as long as it is practical in most cases of shutdowns, strikes, etc. We attempt to do the same thing for our nonmanagerial salaried people. In the past we have been able to do just that in most cases; however, there are situations where it may be necessary to lay off managerial as well as nonmanagerial employees, particularly if major reductions in force are in the making. I think it should be remembered also that a temporary short work week would be treated differently from the matter of a long shutdown due to a strike, lack of orders, etc."

* * *

"We do not have a formal, announced policy covering the duration and amounts of such payments. However, with very few exceptions, it has been our practice to continue full salary payments during temporary interruptions of the kind referred to above, since most of them have lasted relatively short periods of time."

(Continued on page 203)

Illusions in Sales Incentive Plans

SALES management is using two alarm clocks to awaken effective salesmanship which became dormant during the war. The first of these is sales training; the second, incentive compensation.

Sales training is effectively overcoming much of the languor characteristic of selling activity during and after the war. Training programs are teaching salesmen the fundamentals of selling, especially in the face of increasing competition, and raising salesmen's productivity by increasing their know-how and "do-how."

Incentive compensation, the second activator, is giving some salesmen a strong and steady stimulus to make more sales and to exceed other prescribed goals. The trouble with this second alarm, however, is that it doesn't always go off when it's supposed to.

Some companies, it is true, have carefully constructed incentive plans which are stimulating salesmen to greater attainment of established goals. On the other hand, there are also many sales executives who are frank enough to admit that the incentive feature of their compensation plan is having no positive effect. Some even go so far as to say that the incentive feature is so defective that it is causing more trouble than if there were none at all.

THREE FAILINGS CREATE ILLUSIONS

When incentive plans prove illusory, examination will show that their defects can usually be attributed to any one of three common failings. First, many of them disregard the fact that salesmen are not motivated by the hope of financial reward alone. Second, hope of financial reward will add very little to the effectiveness of the salesman who doesn't know how to sell. And third, incentive plans backfire when, through lack of careful analysis, the size of the reward is not a true measure of the size of the task.

In the three cases which are used to illustrate these failings, the first case shows what happened in a company which did not recognize that salesmen are not motivated by the hope of financial reward alone.

MOTIVATING WITH MONEY

The sales manager for a distributing company recently came to the conclusion that his salesmen weren't interested in money—more money, that is. The company had recently added a new product to its line. It was top quality, but it wasn't well known and would need a lot of pushing. It carried a high mark-up so the sales manager felt that he could afford to offer a substantial bonus to his men for sales of this new product.

He pointed out that an additional two or three thousand dollars a year was within the reach of any salesman who would spend a few minutes on each call to promote the new product. A tidy sum, he thought, and sure to provide the incentive needed to get the product on retailers' shelves and eventually to the consumer.

After a reasonable period it was obvious that the campaign was a complete failure. Salesmen were apparently ignoring the new line. Prospects of a substantial profit vanished. The sales manager was discouraged by the loss but determined to find the cause. Although he had been vaguely aware that people generally are not motivated solely by hope of financial reward, he had not thought of it in connection with his own salesmen. Here is what he discovered:

Most of his salesmen earn around \$10,000 a year. Over the years they have established a close, personal relationship with the retailers who are their customers. The relationship was not easy to build. It had come about through hard-hitting salesmanship on their part in former years. Now, with accounts well established, "selling" no longer describes their daily activities. "They're just order-takers now," the sales manager says.

His salesmen have reached an economic and social level which satisfies them. Their working habits are also satisfying. Their present incomes are ample enough to supply their economic needs and wants. Consequently, he ruefully observes, more money has little or no appeal for them, especially if it means increased effort.

It may be claimed that the above example is based on an unusual set of circumstances. While there are some unique aspects to the case, it illustrates one of the situations in which salesmen reach a point where more substantial financial rewards in return for the necessity of greater effort hold little or no appeal for them.

The income level at which many salesmen voluntarily peg themselves follows no consistent pattern. It is not necessarily \$10,000 as in the preceding case or even close to it. It may be considerably less. But it is usually determinable when the sales executive has established a close, friendly relationship with his salesmen. Having reached that point, he can become familiar with their personal hopes and ambitions and have an understanding of the individual goals which each man sets for himself. Then the best means of motivating them will become apparent. Money may provide the impetus to some, but there will be others who will respond as well or better

when the reward is based on recognition such as a certificate of merit, or some other evidence of prestige.

SUBSTITUTING MONEY FOR TRAINING

Almost any selling situation involving house-to-house canvassing will serve to illustrate the second point—that hope of financial reward will add very little to the effectiveness of the salesman who does not know how to sell. While some men have been quite successful in house-to-house selling, the field is generally marked by an extremely high turnover of disillusioned salesmen. They are often attracted to the field by examples of other salesmen who earned substantial commissions, such as “Joe G. who made over \$300 last week,” or “Sam L. who made \$78 in two days.”

Lured on by the prospect of big money, the new salesman goes through a very brief training program, usually consisting of learning a few stock sales approaches. With high hopes of surpassing the marks set by Joe G. and Sam L., he begins his campaign. But lack of preparation soon becomes apparent and after a few weeks of discouraging results, the salesman's illusion of big money fades. And so does the salesman.

The important point to be brought out here is that a substantial earning potential may have been exactly as represented. But the untrained or semi-trained salesman stands as much chance of achieving it as he does of finding the pot of gold at the end of the rainbow. And yet some companies continue to spend large sums of money each year on a never-ending recruiting program, purposely or not, paying little attention to the training problem.

THE MISCALCULATED INCENTIVE BASE

When incentives are based on miscalculated and unrealistic bases, they produce an even more discouraging set of circumstances than found in the previous two cases. For there are numerous situations in which salesmen are well trained and are in a frame of mind to respond favorably to the prospect of financial reward. But their enthusiasm dies when they eventually realize that the reward is small in proportion to the amount of skill and effort they have put forth. Or, in the other extreme, the company finds that it is paying more for the performance of a certain task than the task would seem to be worth.

One case will illustrate how a single plan created both of these undesirable situations. A manufacturer of a small mechanical device paid his salesmen a base salary plus a commission on all sales. The commission rates were the same for all salesmen and the salaries were comparable for the most part. At the time the plan was put in effect, there was not much difference in territory potentials. Salesmen on the

West Coast could expect to do about the same amount of business as salesmen in any other territory. For a while the plan worked satisfactorily.

But a certain booming industry, largely centered on the West Coast, found that it could use a substantial quantity of the mechanical devices in its own product. Within a year, salesmen on the coast were receiving commission checks many times larger than those they had customarily received in the past. And as their incomes increased, the need for sales effort decreased. The product was, in effect, selling itself. Investigation showed that the coast salesmen were working only two or three days a week while their incomes neared the level of the highest-paid executives in the company.

But there was a less rosy side to the picture. Salesmen in other territories were running into a wave of sales resistance which had begun to develop in most other lines. In spite of increased effort, their earnings slumped. As usual in such cases, it did not take them long to learn of the bonanza which the far west salesmen were enjoying.

Dissatisfaction spread rapidly among the sales force. Several of the company's best salesmen quit. In order to stem the tide of demoralization, management reviewed the compensation plan in an attempt to make it more equitable. A new plan was put into effect which eliminated the unusual differences in territory potentials.

But the damage had been done. The western salesmen met the new compensation plan with displeasure and open rebellion. The company experienced several months of turmoil in its sales department. When the smoke cleared, more salesmen had quit and some were fired. A costly rebuilding and reorganization job had taken place in the department and the company's total sales were seriously affected.

AID FROM NONFINANCIAL INCENTIVES

Several cures have been proposed from time to time to help an ailing compensation plan. Among these are: analysis of the salesman's job; a more realistic approach to sales quotas and territory potentials; and consideration of variable economic factors which influence the salesman's job. Without question, all of them are important in any attempt to build a nonillusory incentive compensation plan.

Another aid is also available, but it is seldom referred to and found even less often. It is the non-financial incentive. A few authorities have stated that the stimulation provided by nonfinancial incentives is often stronger than that provided through financial rewards.

Some of the previous cases have shown that it is a mistake to believe that financial incentives are the only thing required to motivate salesmen. But it is doubtful whether anyone will dispute the fact that a

salesman's productivity is improved when the following conditions hold:

- The salesman has a healthy interest in his work.
- He respects and is respected by his associates, especially his boss.
- He is given recognition as an individual rather than as a colored pin in a wall map.
- He is informed about and understands company actions which affect him.
- He is treated fairly and impartially.
- He is given the opportunity for self-expression.
- He is made to feel that good work will be rewarded

not alone by financial reward but also by assurance of security and opportunity for advancement.

There is little likelihood that anyone will ever develop a formula for a salesmen's incentive compensation plan which will be adaptable under all conditions. But it is quite probable that the illusory aspects of these plans will be overcome to a large degree if the nonfinancial elements are recognized and made an important part of the system used to reward salesmen for their work.

ELMER W. EARL, JR.

Division of Personnel Administration

Briefs on Personnel Practices

Common Stock for Contest Winners

Five thousand dollars' worth of common stock is offered in prizes to employees and their children, in a recently announced contest of the Inland Steel Company. The contestants will submit scale models of Inland's newest ore carrier, the S. S. Wilfred Sykes. The grand prize is worth \$1,000; there are three prizes worth \$520 each, three worth \$240 each, and forty-three worth \$40 each.

Each contestant was provided with detailed plans for making the model. The company explained that the contest was being sponsored to stimulate employees' interest and understanding of common stock ownership.

"Where Shall We Go?"

With the smell of spring in the air, employees are already thinking of their summer vacation plans. The same perennial questions come up, "Where shall we go? What shall we do?"

To help employees in their vacation planning, the employees' activities organization of The State Farm Insurance Companies, Bloomington, Illinois, recently sponsored a "vacation night." An open meeting was held after hours to which travel bureau representatives were invited. Vacation literature was passed out, colored movies shown, and tips on where to go and how much to spend were given.

This service was provided free of charge. Family members and guests of employees were also invited.

Supervisory Training Kit Developed

General Mills, Inc. of Minneapolis has just developed a kit of training materials to help train the new supervisor in getting off to a good start. The kit, around which local induction training schedules are

being developed, includes four types of training aids: three company-made sound-slide films; a department head's administrative guide; and two sets of selected booklets for the supervisor's personal use. One of the booklets is of a general nature and one is based on company policies.

Management conference groups were asked the kinds of materials that would be most useful to a newly appointed supervisor and the training kit was built around the suggestions received. The supervisor's immediate superior is regarded as the key person to conduct the supervisor's training, so the training materials are slanted for his use. It is expected that the major part of the training will be completed during the first two weeks that the new supervisor is on the job.

College Recruitment, 1949 and 1950

A hundred and thirty-two companies that hired 7,352 college graduates in 1949 (an average of fifty-six for each company) plan to hire only 5,621 this year (an average of forty-three per company), according to a survey made by Dr. Frank S. Endicott of Northwestern University and published in *School and College Placement*, March, 1950. About half the new recruits will be graduates of engineering courses.

Salaries averaging \$245 per month are being offered—approximately the same as last year. The average engineer starts at \$260, followed by the sales recruit at \$240, the accountant at \$238, and the general business trainee at \$234.

While recruitment is off nearly a fourth in the surveyed companies, it is pointed out that the situation may be quite different in the smaller companies. "It is known," Dr. Endicott states, "that an increased number of smaller companies are turning to the colleges and universities for new employees."

Vacation Pay and Layoffs

WHEN Fred Jones was laid off on the first of February, one of his first questions was, "Do I have any vacation pay coming to me?"

The answer to his question depended, of course, on the vacation policies of Fred's employer. Since Fred was covered by a union contract, the vacation clauses of the agreement may have provided guidance. Based upon a Conference Board survey of 125 current union agreements, Fred's chances of getting a prorated share of vacation pay were about one in four (26.4%). In 33% of the contracts studied he would get no vacation pay unless he was already eligible for it when laid off. Under the largest number of contracts (41%), he'd be in the dark on this question since nothing is said about payment of vacation money at layoff time in the agreement.

MUST BE ELIGIBLE

In the one third of the contracts requiring Fred to be already eligible for his vacation when laid off, the pertinent eligibility clause might read as follows:

"In case an employee is laid off and is otherwise eligible to receive vacation benefits for that calendar year, he will receive pay in lieu of vacation, dependent upon his length of service."

Whether he is "otherwise eligible" might be governed by such factors¹ as:

"In the service of the company as of his employment anniversary date."

"Completed 1,200 hours work in the vacation eligibility period."

"Received earnings in 60% of the pay-roll periods during the qualifying period."

"Worked during twenty-six weeks of the qualifying period."

If, on February 1, he failed to meet qualifications such as these, Fred would not receive any vacation money.

PRORATE VACATION PAY

Fred would have made out better financially when laid off if he had been covered by the vacation clauses in thirty-three of the 125 agreements studied. Under these contracts, he would have been entitled to a prorated share of his 1950 vacation. Such prorating clauses usually reflect a philosophy that vacation pay is an earned right. This is based on the idea that as a man works during the vacation qualifying period

¹An analysis of the factors used to define vacation eligibility in union contracts was contained in "Vacation Practices—1949," *The Management Record*, February, 1949, p. 88.

he is earning a share of his full vacation pay. Thus, when laid off before the qualifying date, he still has a vested interest in the accrued vacation pay he has earned.

How Fred's prorated share would have been computed in each of these thirty-three companies varies to some extent. In each case, however, a formula is used in which the vacation pay granted at layoff time approximates the time which has accrued up to the layoff.

Ten of the thirty-three contracts have been selected to illustrate these variations. In each of the following ten examples, Fred Jones' hiring date is September 1, 1948. Similarly, in each example, his layoff date is February 1, 1950. Yet, as can be seen in the summary in Table 2, his prorated vacation pay at layoff time may vary from ten hours' pay to 6.6 days' pay.

Table 1: Payment of Vacation Money at Layoff Time in 125 Production Worker Contracts

Provision	Total		CIO	AFL	Ind.
	No.	%			
Pay prorated share of vacation money if employee's complete eligibility is not attained at layoff time.....	33	26.4	15a	9a	9a
Pay vacation money only if employee is otherwise eligible for it at layoff time.....	41	32.8	12	19b	10b
No clause on payment of vacation money at layoff time.....	51	40.8	23	22	6
Total.....	125	100.0	50	50	25

aIn two contracts, accrued vacation pay not granted unless employee is still on layoff status at the time regular eligibility date is reached.

bIn one contract, a separate layoff allowance is granted.

Table 2: Summary of Prorated Vacation Payments at Layoff Time in Ten Union Contracts

Contract No.	Vacation Eligibility Date	Vacation Pay in 1949	Prorated Vacation Layoff Pay on 2/1/50
1	June 1	2% of earnings between 9/1/48 and 6/1/49	2% of earnings between 6/1/49 and 2/1/50
2	Hiring anniversary date	One week's pay	10 hours' pay
3	May 1	26.6 hours' pay	30 hours' pay
4	August 1	4 days' pay	3.02 days' pay
5	Hiring anniversary date	One week's pay	20 hours' pay
6	January 1	One week's pay	2 days' pay
7	May 1	One week's pay	One week's pay
8	June 30	One week's pay	3.3 days' pay
9	Hiring anniversary date	Two weeks' pay	5/6 of one week's pay
10	June 1	One week's pay	6.6 days' pay

Note: In each example contract, Fred Jones' hiring is September 1, 1948, and his layoff date is February 1, 1950.

1—Gets Percentage of Earnings

(A New England manufacturer and the United Optical and Instrument Workers of America, CIO)

Vacation eligibility date: June 1.

Vacation season: Plant shutdown period (one week in July).

Vacation allowance:

6 months' to 1 year's service.....	2% of that year's earnings
1 year's to 3 years' service.....	2% of year's earnings
3 years' to 5 years' service.....	3% of year's earnings
5 years' or more service.....	4% of year's earnings

Layoff and accrued vacation pay clause:

"Employees laid off for lack of work permanently or for an indefinite period of time after June 1 of a vacation year and who have one year's or more continuous service with the employer at the time of layoff shall receive the percentage of the portion of that year's earnings to which their continuous service entitles them. If these employees return to work and are in the employ of the employer on June 1 of the vacation year during which they are laid off, they shall receive the difference between the vacation pay to which they are entitled and what they had already received under this article."

Example

Fred Jones was hired on September 1, 1948. On June 1, 1949, he was eligible for vacation pay of 2% of his earnings for the nine-month period from September 1, 1948, to June 1, 1949. He received this pay during the July, 1949, plant shutdown. On February 1, 1950, he was laid off. He was paid accrued vacation pay equal to 2% of his earnings for the eight-month period from June 1, 1949, to February 1, 1950. Assuming he was recalled on April 1, 1950, and is working on June 1, 1950, the vacation pay he will receive represents the difference between total annual vacation pay and that which he received at the time of the layoff.

2—Gets Ten Hours' Pay

(A far western manufacturer and the International Association of Machinists, independent)

Vacation eligibility date: Anniversary of employee's hiring date.

Vacation season: January 1 to December 31.

Vacation allowance:

1 year's to 5 years' service.....	1 week's pay
5 years' or more service.....	2 weeks' pay

Layoff and accrued vacation pay clause:

"An employee laid off after accumulating one or more years of seniority shall be paid prorated vacation [pay] on the following schedule:

"At least three months' but less than six months' credit toward next vacation—10 hours.

"At least six months' but less than nine months' credit toward next vacation—20 hours.

"At least nine months' but less than twelve months' credit toward next vacation—30 hours.

"Employees laid off with more than five years' service

time shall be paid a prorated vacation twice the amount of the above schedule."

Example

Fred Jones was hired on September 1, 1948. On September 1, 1949, he was eligible for a one-week vacation, which he took. On February 1, 1950, he was laid off. At that time, he had worked five months toward his 1950 anniversary date. Thus, he received vacation pay of ten hours.

3—Gets Thirty Hours' Pay

(A far western machinery corporation and the International Association of Machinists, independent)

Vacation eligibility date: May 1.

Vacation season: Plant shutdown period (July).

Vacation allowance:

1 year's service.....	40 hours' pay
2 years' service.....	50 hours' pay
3 years' service.....	60 hours' pay
4 years' service.....	70 hours' pay
5 years' service.....	80 hours' pay

The contract further provides that for employees with less than one year's service as of May 1, "the company shall compute their vacation credits on May 1 immediately following their employment at the rate of one twelfth of their basic straight-time hourly earnings for forty hours for those months in which the employee has worked a minimum of 120 straight-time hours."

Layoff and accrued vacation pay clause:

"In the event of a layoff for lack of work, employees who have completed one or more years of service with the company at the time of their layoff shall be entitled to vacation pay on the basis of 1/12 of the vacation pay based on years of service, for each month in which they have worked an aggregate minimum of 120 straight hours, such prorate to be figured from the May 1 immediately preceding the layoff. Any employees leaving the company for any reason other than a layoff shall not be entitled to vacation pay on a prorated basis."

Example

Fred Jones was hired on September 1, 1948. On May 1, 1949, he was eligible for eight twelfths of forty hours' vacation pay (26.6 hours). He received this during the July, 1949, plant shutdown. On February 1, 1950, he was laid off. He received nine twelfths of the forty hours' pay he would have been eligible for on May 1, 1950, or a total of thirty hours' pay.

4—Gets 3.02 Days' Pay

(An eastern manufacturer and the UAW-CIO)

Vacation eligibility date: August 1.

Vacation season: June 1 to September 30.

Vacation allowance:

4 months' service.....	1 day's pay
Each succeeding 2 months in first year....	1 day's pay

2 years' service.....	6 days' pay
3 years' service.....	7 days' pay
4 years' service.....	8 days' pay
5 years' or more service.....	10 days' pay

Layoff and accrued vacation pay clause:

"Any employee who would be eligible for a vacation and whose employment with the company shall terminate or who shall be laid off prior to taking his vacation shall be entitled to his accumulated vacation pay calculated as of the date of his termination or layoff, and such vacation pay shall be paid to him as soon as practicable. Such employee's accumulated vacation pay shall be computed as follows:

"The number of days' vacation to which the employee would have been entitled had he remained in the company's employment until the next August 1 shall first be computed. The figure so obtained shall be multiplied by a fraction of which the number of calendar days from the preceding August 1 to the date of termination or layoff shall be the numerator and 365 shall be the denominator. The result of this computation shall be multiplied by a day's vacation pay and the result so obtained shall be the employee's accumulated vacation pay."

Example

Fred Jones was hired on September 1, 1948. On August 1, 1949, he had eleven months' service entitling him to a four-day vacation, which he took. On February 1, 1950, he was laid off. Had he worked until August 1, 1950, he would have been eligible for a six-day vacation. Thus at layoff time, this figure of six days was divided by a fraction with a numerator of 184 (the number of calendar days between August 1, 1949, and the layoff date) and a denominator of 365. On the basis of this computation, Fred Jones received 3.02 days of accrued vacation pay.

5—Four Hours' Pay Per Month Worked

(An eastern metals manufacturer and the United Steelworkers, CIO)

Vacation eligibility date: Anniversary of employee's hiring date.

Vacation season: June 1 to December 31.

Vacation allowance:

1 year's to 3 years' service....	1 week's (40 hours) pay
3 years' to 5 years' service....	2 weeks' (80 hours) pay
5 years' to 10 years' service....	2 weeks' (84 hours) pay
10 years' or more service.....	2 weeks' (100 hours) pay

Layoff and accrued vacation pay clause:

"Each employee who has been on the pay roll records from one to three years and is laid off through no fault of his own between vacation periods shall receive four hours' vacation pay per month, until forty hours have been accumulated.

"Each employee who has been on the pay roll records three or more years and is laid off through no fault of his own between vacation periods, shall receive eight hours' vacation pay per month until eighty hours have been accumulated."

Example

Fred Jones was hired on September 1, 1948. On September 1, 1949, he was eligible for a one-week vacation, which he took. On February 1, 1950, he was laid off. He received four hours' vacation pay for each month worked since September 1, 1949, his first anniversary date. Thus at layoff time he received twenty hours' vacation pay.

6—Gets Two Days' Pay

(An eastern chemical firm and the International Chemical Workers Union, AFL)

Vacation eligibility date: January 1.

Vacation season: January 1 to December 31.

Vacation allowance:

Less than 1 year's service:

"One day of vacation for each two months actually worked since last January 1, up to a maximum of five days."

1 year's to 3 years' service:

"Employees who complete their first year of continuous service during the calendar year will receive, after completion of that year of continuous service, one day's vacation for each two months actually worked since the date of employment up to a maximum of five days."

3 years' or more service:

"Employees who have completed three years' or more continuous service by January 1 will receive one day's vacation for each month actually worked since the previous January 1, up to a maximum of ten days."

"Employees who will complete their third year of continuous service by December 31 in any year will receive the vacation to which they are entitled (up to five days) plus one day for each two months actually worked in their third year of service (up to a maximum of five additional days)."

Layoff and accrued vacation pay clause:

"An employee who is laid off from the plant due to reduction in force after he has become eligible for his first vacation shall, at the time he is laid off, receive proportional vacation pay on the following basis:

"a. If the employee is eligible for two weeks' vacation he shall be paid for one day's vacation for each month actually worked since the January 1 preceding his layoff, up to a maximum of ten days' pay.

"b. If the employee is eligible for one week's vacation he shall be paid for one day's vacation up to a maximum of five days, as follows:

"1. For each two months worked since the date on which he completed one full year of continuous service if the employee has not become eligible for his second vacation.

"2. For each two months worked since the January 1 preceding his layoff if the employee has become eligible for his second vacation."

Example

Fred Jones was hired on September 1, 1948. On September 1, 1949, he was eligible for five days' vacation.
(Continued on page 207)

Wartime Food Budgets

SUMMARY

• Had we eaten as the English did in 1944 we would have been well nourished. Our better supply situation, however, would have permitted a greater variation of foods in the civilian diet.

• Foods contained in the Bedrock diet, as set up by the Office of Civilian Supply, are lower in calories than the English diet of 1944, but are higher in vitamin A.

• Bedrock allowances of meats, poultry and fish, sugars and syrups, fats and oils are well below our 1944 civilian supply.

• The least desirable supply would be one based on the so-called Low-cost Family Food Plan. Even less leeway for wastes and losses would be possible with this than with the Bedrock diet.

BECAUSE of the cold war, we are spending about a third of our budget on national defense. We are planning the rapid and efficient mobilization of our industry, and we are beginning to be concerned about defense against atomic and bacteriological attack. Another important factor in waging war has slipped far back in our recollections and is receiving virtually no attention in our efforts to be prepared for an emergency. That is the problem of feeding our vast civilian population—the men, women and children who would be “behind the men behind the guns.”

In the brief analysis which follows, it is proposed to take a look at the actual diet levels in Great Britain and the United States in 1944, and at two rather more stringent food budgets that were proposed in this country, one in 1943 and one in 1948. The study has been undertaken without benefit of the “classified” information and without the variously cross-integrated assumptions about possible future foes, allies, size of armed forces and resources that are available to defense planners. Its basis is, first, actual experience, and second, the even more restricted regimens proposed by government nutritionists.

WHAT HAPPENED IN WORLD WAR II

The last war hit Britain's food supply early and hard. Food rationing was adopted many months before the blitz overran the Low Countries and France and half a year before the bombings began. It quickly became comprehensive and grew increasingly stringent. In 1944, the available daily per capita food supply was a little over 3,000 calories. Britain, of course, was under a state of siege. Her civilians ac-

cepted the grim necessities of their monotonous diet, but remained healthy and reasonably cheerful.

At no time during the last war was the civilian population of the United States under what is technically called a state of siege. For most food groups, our per capita supplies were larger than prewar. But the civilian population did have more money to spend, and before long there were few opportunities to spend it on anything but a greater variety and a greater amount of food. So, despite high production on our farms and ranches, shortages began to develop in some foods, and rationing was instituted to bring about a more equitable distribution of the available supplies. Then we began to require an increasing proportion of our food supply for our armed forces and for our allies. The result was a tighter rationing of meat, sugar, butter, and commercially canned fruits and vegetables. The available daily food supply, on a comparable basis with that given above for the British civilian, was about 3,300 calories.

In short, as the war moved from one phase to another, it became necessary to extend and sharpen the rationing of consumer consumption. That experience seems to indicate that it would not be necessary to impose stringent rationing at the beginning of a future war. But if the war were prolonged we might require much tighter controls than those imposed during World War II.

Food Allowances in Bedrock Diet

Daily per Capita

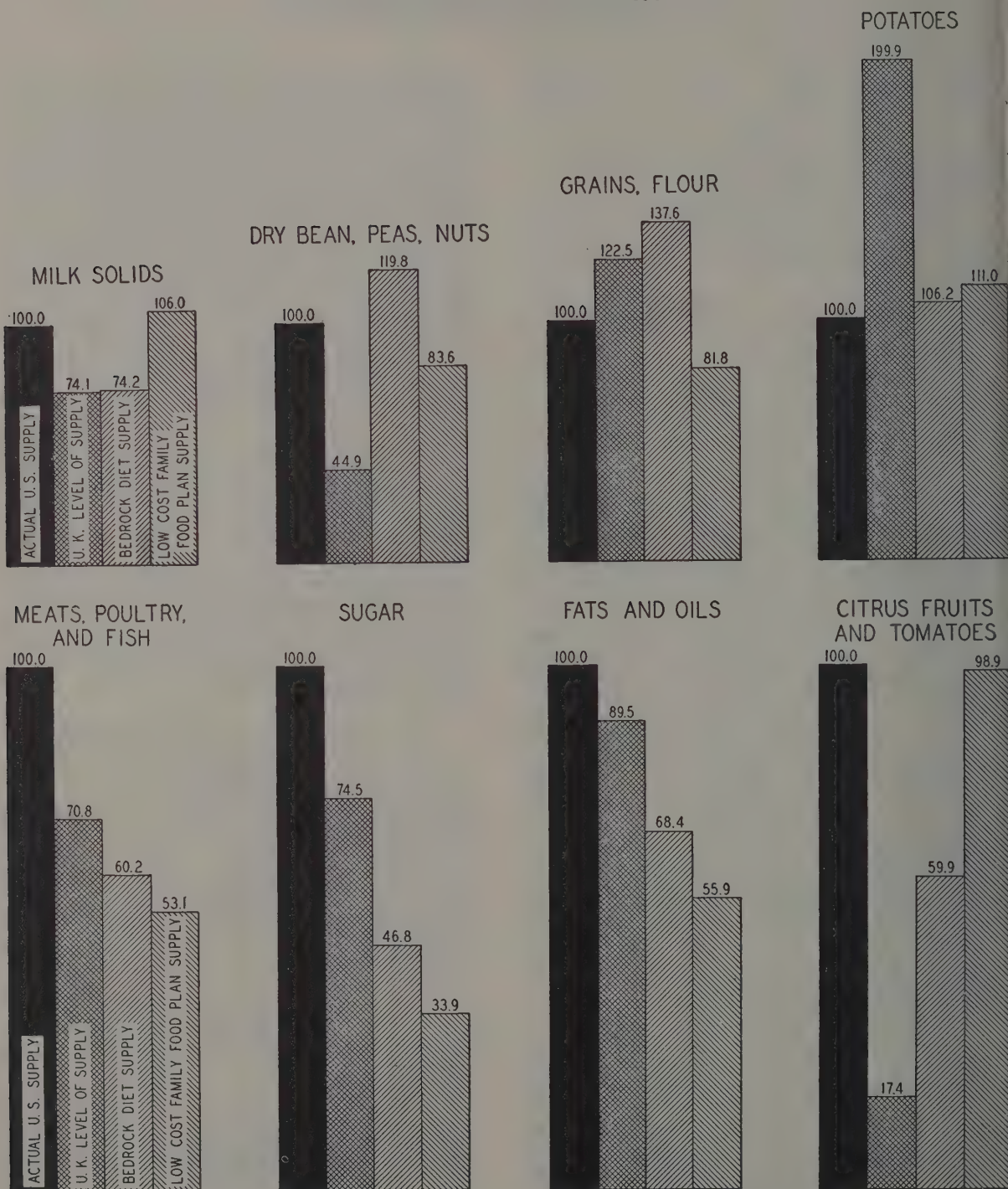
Milk (standard cups—8.61 ounces).....	1.97
Eggs.....	.64
Bread (slices—19 per pound).....	8.00
Flour, cereals, macaroni, etc. (pounds).....	.50
Potatoes (standard servings—3 ounces).....	2.19
Dry beans, peas, and nuts (pounds).....	.05
Tomatoes and citrus fruits (pounds).....	.19
Leafy green and yellow vegetables (pounds).....	.19
Other vegetables and fruits (pounds).....	.43
Fats and oils (ounces).....	1.40
Meat, poultry and fish (pounds).....	.33
	(5.28 oz.)
Sugar and syrups (pounds).....	.14
	(2.24 oz.)

Weekly for a Family of Four

Milk (quarts).....	14.92
Eggs (dozen).....	1.49
Bread (1½ lb. loaves).....	7.84
Flour, cereals, macaroni, etc. (pounds).....	14.00
Potatoes (pounds).....	11.52
Dry beans, peas, and nuts (pounds).....	1.52
Tomatoes and citrus fruits (pounds).....	5.24
Leafy green and yellow vegetables (pounds).....	5.24
Other vegetables and fruits (pounds).....	12.00
Fats and oils (pounds).....	2.40
Meat, poultry and fish (pounds).....	9.24
Sugar and syrups (pounds).....	4.00

Supplies of Food versus Wartime Budgets¹

As Per Cents of Actual United States Supply



¹See table on page 206 for detailed footnotes on per capita quantities used to estimate total civilian noninstitutional food supplies in war year 1944.

Early in the last war, British scientists calculated that the human body can be supplied with all its nutritional needs from a diet of wholemeal bread, oatmeal, fats, milk, potatoes and vegetables. While a western people would no doubt survive and might gain weight on such a diet, its morale would soon suffer unless there were a little more variety. This is recognized in even the most hard-boiled minimum diets, which rather grudgingly provide something "to stick to the ribs," and something for the consumer's sweet tooth.

"MINIMUM" DIETS

Nutrition standards set up by the National Research Council are the starting point of all "minimum" diets. What the council has done has been to determine how many calories, and protein, mineral and vitamin units a person requires to maintain health. It breaks down these nutritional needs in detail by age, sex and degree of energy-consuming activity.

Since "minimum" diets, whether designed to stretch a limited total supply in wartime or to stretch purchasing power in a period of high food prices, must stick close to the basic quotas of calories or vitamins, they are really exercises in menu mixing. If meat is scarce or dear, for example, the calorie and protein equivalent can be found in dried beans. And so on.

Two of these diets, the so-called Bedrock, and the Low-cost Family Food Plan, are described below and are compared with each other and with the actual food situation in the United States and Great Britain in 1944.

THE BEDROCK DIET (FEBRUARY, 1943)¹

This wartime budget or diet, allowing a daily per capita consumption of 2,802 calories, was a hypothetical minimum. It scaled down consumption to the point "where further reductions would result in a net loss rather than a net gain to the war effort."

The parentage of the so-called Bedrock diet is rather complex, as the names of a number of federal agencies are connected with it. It was announced by the War Production Board, but prepared by the Office of Civilian Requirements, largely on the basis of suggestions from the Bureau of Home Economics of the Department of Agriculture, which, in turn, tried to adhere to the dietary standards recommended by the National Research Council.

The sponsors of Bedrock were well aware that both in name and in reality it was pretty drastic and uncompromising. To make sure that it would not be misinterpreted, it was properly prologued by a number of assumptions and conditions. The most important of them are worth noting here:

- (1) A long war was assumed.

¹"Bedrock U. S. Life During Total War is Mapped by WPB," *The New York Times*, February 21, 1943.

- (2) It was admitted, as of the date of the announcement (February 21, 1943), that the reduction of American consumption to Bedrock levels would mean a severe change in the standards and habits of living of the people.

- (3) Further reductions, below Bedrock, "could and would" be made over short periods or under conditions of siege.

- (4) Equitable distribution through rationing to civilians, with due allowance for age and type of work, was assumed.

- (5) No leeway was allowed for excessive consumption of any food group by any population group.

- (6) Inability of low-income families to purchase their fair share was asserted.

- (7) Because of (5) and (6) it was implied that subsidized consumption of the more expensive foods by the low-income families would be necessary.

Bedrock was also tabbed "preliminary," but no later or final wartime diet proposals have been uncovered. Moreover, it was never imposed, although it may have influenced some OPA decisions as to ration quotas.

Nutritional shortcomings of this diet were two—it yielded 17% less calcium than the National Research Council recommends, and 11% less riboflavin (vitamins B and G), on the basis of the 1944 population.

LOW-COST FAMILY FOOD PLAN, 1948¹

Where the Bedrock budget was intended to allocate a limited wartime food supply among 125 million civilians, the purpose of the Low-cost Family Food Plan was to stretch the buying power of the food dollar. The plan was published only a few months after food prices had reached an all-time peak.

As in the case of Bedrock, the Low-cost budget came out under a somewhat hierarchical sponsorship. Issued by the Department of Agriculture, it was prepared by the Agricultural Research Administration's Bureau of Human Nutrition and Home Economics. As before, it was based upon the nutrition standards recommended by the National Research Council.

This diet totaled only 2,600 calories, but it met all the Research Council's nutrient requirements. Although it was planned to be flexible enough for all seasons, regions and family tastes, its adequacy in practice depended heavily upon the housewife's care in shopping and on her skill and imagination in preparing meals.

DIET COMPARISONS

Our civilian population enjoyed a comparatively high standard of diet during the war. While the British level supplied all the necessary nutrients for

(Continued on page 205)

¹"Helping Families Plan Food Budgets," United States Department of Agriculture, *Miscellaneous Publications No. 662*, December, 1948.

Everybody Likes a Hobby Show

IF IN doubt, have a hobby show! Numerous companies in recent years have discovered that such an event can interest more employees of varied ages and backgrounds than any other nonathletic activity in the recreation program. Factory groups have put on very successful hobby shows; they have been equally popular in offices, banks and department stores.

A display of employees' hobbies fits well into the open house program held for families and friends of employees. Somewhere along the route of plant or office tour, the pause to examine a collection of leisure-time products of employees' ingenuity and skill affords a variation from the explanation of business processes and provides a breather for the guests. In offices, where there are few operating processes to observe, a tour of the premises may take only a short time. Addition of a hobby show, with perhaps music and light refreshments, results in a program for an entire afternoon or evening, one well worth the issuance of invitations.

Employees of the Beech Aircraft Company displayed their hobbies at the annual midwinter concert presented by the employees' band. A hobby show combines equally well with a concert by an employee chorus. The Norton Company has had hobby shows in connection with exhibits of employees' garden produce in the fall, at the annual Norton Family Outing.

WHEN AND WHERE

But the hobby show can stand on its own, as sole attraction—often an event of several days' duration. Since it takes considerable time to set up the displays, it is desirable that plenty of time be allowed for all who are interested in viewing them. Many of the shows are held for two days, and not infrequently the exhibits are on view for a week or even longer.

The arts and crafts exhibit of the Carboly Company, for instance, was on display for three days during Thanksgiving week of last year. Employees viewed the show in a lecture room, ordinarily used for training, before and after their working hours and during the staggered lunch periods.

At the Falk Corporation's first hobby show, held this year, exhibits were open from noon to nine o'clock in the evening on three days, April 26 through April 28. The show was held in a training room, and employees' families were invited.

General Electric Company employees at Schenectady held their fourth annual hobby show this year, on May 9 through May 12, in their clubhouse audi-

torium. Here, too, families were invited to view the displays. The 1950 hobby show put on by employees of the Grumman Aircraft Engineering Corporation lasted for a week, beginning February 27. The show was in a library of one of the plants. Employees of the Pollak Manufacturing Company have held their hobby show in the Kearny public library.

A hobby show presented by employees of the Chase National Bank in New York City attracted so many visitors that it was held over for a second week.

ADDING MOVEMENT TO DISPLAYS

In some of the shows, active demonstration of hobbies has added to the enjoyment of spectators. Model makers show their trains and planes in movement. There are fly-tying contests, and weavers demonstrate their skill on the loom. Cartoonists make quick sketches of visitors. Clay modelers attract a circle of entranced spectators. At the fourteenth annual hobby show of the Philadelphia Electric Company in May of this year, fashion models posed for amateur photographers, and special lighting was provided.

The theme of a hobby show presented in March by the Kodak Office Recreation Club of the Eastman Kodak Company was "Hobbies at Work." Not only did the exhibits show what the hobbyists had done, but also how they did it. Woodworkers operated lathes and saws. Collectors of old phonograph records played them. One hobbyist made lamp shades; another contrived purses on the spot. A popular feature was an "Alice in Wonderland" show of colored slides which was the result of more than four years of leisure-time work of an Eastman employee who had carved most of the photographed characters from wood.

For showing, exhibits are usually grouped in general classifications. If these can be determined beforehand, their listing may stimulate entries, since they give the employee an idea of what would be acceptable. For the show at the Falk Corporation this year, hobbies were divided into four classes, as follows:

Model Building

Boats
Planes
Trains
Race cars
Plastics
Industrial
Metal

Collecting

Archaeology

Handicrafts

Archery
Carving
Ceramics
Cabinetmaking
Furniture
Wood and metal
working
Plastics
Lapidary
Leather

Collecting (cont'd)

Geology
Philately
Numismatics
Ceramics
Antiques
Firearms
Indian lore
Insects
Books
Photographs
Carvings
Paintings

Handicrafts (cont'd)

Gunsmithing
Taxidermy

Arts

Sketching
Painting—oils,
watercolors
Needlework
Weaving
Photography
Sculpturing
Metalcraft

Hobbies of R. H. Macy & Company employees were judged in the following major groups: (1) fine arts, (2) collections, (3) decorative arts, and (4) crafts. At the hobby show put on last fall by employees of Stix, Baer & Fuller, St. Louis department store, merit trophies were presented in each of five divisions: (1) photography, (2) art, (3) art needlework, (4) handcraft, and (5) collections.

With its many years of experience with hobby shows, the employees' association of the Philadelphia Electric Company has developed classification of entries to a fine point. Here is the grouping used in one of its recent shows:

Handicraft Section

Furniture
Practical handicraft
Fine arts handicraft
Decorative handicraft
Toys
Models, decorative
vessels
Models, practical
automobiles
Models, practical
railroads

Coins and Currency Section

Single coins
Sets of copper and silver
coins
Sets of gold coins

Collections Section

Antiques
Carvings
Quilts
Miscellaneous

Art Needlecraft Section

Rugs
Embroidery
Cloth wearing apparel
and hats
Afghans
Knitting—wearing
apparel and sweaters
Crochet, bed spreads
and scarfs
Leathercraft
Miscellaneous

Photographic Section

Color transparencies
Color prints
Hand-tinted photographs
Snapshots

Art Section

Oil paintings
Watercolors
Pastels
Sculpture
Carvings
Pencil
Cartoons
Decorative painting
Ceramics
Miscellaneous

Stamp Section

United States
Foreign
Air mail
Specialties
Covers

In its recent survey of employee recreation activities, THE CONFERENCE BOARD found that photography was the most frequently listed organized hobby

among the companies whose programs were surveyed.¹ Photographs, it has been learned, can always be counted on as a basic exhibit in employee hobby shows. Next to photography, as noted in THE CONFERENCE BOARD survey, were stamp collecting, sewing, art, knitting, model making, leather work, crocheting and metal work.

The "collections" category has been found especially useful in increasing the participation in hobby shows. Comparatively few individuals are talented artists. On the other hand, anyone can collect and the more curious the objects assembled, the more attention they are likely to attract at a show. At one of these events, for instance, an employee exhibited wish-bones, a collection begun with a turkey, which had branched out to include specimens from rarer birds.

SPONSOR OF SHOW

Some hobby shows have been organized by an employee activities or service department, the recreation division of the personnel department or, in companies not large enough to have such special divisions, by the personnel department. More frequently, hobby shows are sponsored by employee recreation associations or by some group in them. A hobby club is a natural sponsor for a show. Any craft or art club, however, can be the entrepreneur. Work of the club's members provides a nucleus for the exhibits, which others are invited to supplement.

The Power Club at the Detroit Edison Company has sponsored employee hobby shows in that organization. At General Electric's Schenectady Works the sponsor has been the employees' athletic association. At the Philadelphia Electric Company the employees' association has charge of planning and arrangements. The show there has grown to a three-day event, with exhibits covering two floors of the Philadelphia Edison Building.

The Central Division Women's Committee, social and recreation organization for women employees of the Southern California Gas Company, sponsored the first two hobby shows put on by employees of that company, in 1948 and 1949. The show expanded so greatly that this year it was co-sponsored by all the employee social and recreational groups throughout the system. The first show was held for only one evening. This year, the show ran for two days—a Saturday and Sunday in April.

ORGANIZATION

The actual work of running a hobby show is usually allotted to an employee committee or, if the show is a big one, to a number of committees. Responsibility must be assumed for soliciting entries,

(Continued on page 194)

¹National Industrial Conference Board, *Studies in Personnel Policy*, No. 102, "Employee Recreation Activities—Administration and Cost," 1949.

Probationary Periods in UAW-CIO Contracts

I TOOK on a new man a few months ago and he was a world beater for ten days," said the owner of a small firm. "On the eleventh day, this ten-day wonder slowed down and he has been going at a snail's pace ever since.

"What's the reason? Well, I have only a ten-day probationary period in my union contract. On the eleventh day, he became a permanent employee."

Since the union contract complicates the discharge procedure once a man becomes a permanent employee, the employer wants a reasonable probationary period in which he can test the new employee. During this testing period, the man has only temporary status and the employer generally can discharge him.

For the most part, employers want as long a probationary period as they can get. They want to guard against giving permanent status to a worker who will be just a flash in the pan. Union leaders generally go along with employers on this. But they want, within reasonable limits, a short probationary period.

HOW LONG SHOULD IT BE?

How has the probationary issue been resolved in manufacturing firms with union contracts?

The second largest union in manufacturing—the CIO Automobile Workers—provides a good index. THE CONFERENCE BOARD analyzed the probationary provisions in one hundred contracts of this union. Ninety-nine out of the hundred specify probationary periods.

The worker has to work a thirty-day probationary period before becoming a permanent employee under one quarter of the UAW-CIO contracts. In another quarter he has to work sixty days. Ninety days is the worker's probationary period in twelve contracts. Six months is the longest probationary time a worker has to serve. This is called for in seven contracts. (See table and chart.)

Thirty days is the minimum probationary period in any of the contracts. One reason for this may be the union shop section of the Taft-Hartley Act. It permits a union shop, but states that a man does not have to join the union for thirty days. If the union secured probationary periods of less than thirty days, it would be permitting a man to become a permanent employee before he becomes a union member.

CALENDAR vs. WORKING DAYS

Part and parcel of any analysis of probationary periods is the wording of the clauses themselves. The thirty-day probationary period, for example, may

read in either of two ways. It may be in terms of calendar days or working days. A UAW-CIO contract with a Detroit plant reads:

"All new employees shall serve a thirty-day probationary period during which time the company may lay off or discharge without regard to seniority. After working the thirty-day probationary period, all such new employees' names shall be placed on the seniority list."

This clause presumably means thirty calendar days.

Length of Probationary Period in One Hundred UAW-CIO Contracts¹

Probationary Period	Number
Specifies length of probationary period.....	99
30 days.....	24
45 days.....	5
60 days.....	25
2 months.....	4
10 weeks.....	2
12 weeks.....	3
90 days.....	12
3 months.....	7
4 months.....	2
6 months.....	7
Other.....	8
Does not specify.....	1
Total.....	100

¹Twelve UAW-CIO contracts are under a short-term extension while negotiations for a new contract are going on.

On the other hand, a UAW-CIO contract with a small manufacturer specifies thirty working days, which may be accumulated in a calendar period as long as six months:

"All new employees shall be considered on probation for thirty working days after hiring. After a new employee has worked thirty cumulative working days during a six-month period, his name shall be placed on the seniority list as of original date of hiring."

When the probationary period exceeds thirty days, the tendency seems to be to specify calendar days. This occurs in the following 45-day probationary period clause signed by the UAW and a mid-western manufacturer:

"Employees hired after the signing of this agreement shall be classed as probationary employees for their first forty-five calendar days of employment, after which time they shall hold seniority rights as of their hiring-in date, provided that they have neither been dismissed nor have quit during the probationary period."

MANAGEMENT'S RIGHT TO DISCHARGE

Some of the provisions, like the following, spell out management's rights to discharge the employees during the probationary period.

"Seniority shall be established as of the date of hiring by the company and continue to accumulate until his or her services as an employee are officially terminated. There shall be a twelve-week probationary period for all beginners. New employees, not hired as beginners, shall have a thirty-day probationary period, during which time the company shall be the sole judge of their qualifications for continuing employment."

WORKER CAN APPEAL DISCHARGE

The above clause seemingly leaves the whole matter of discharge during a probationary period in the company's hands. The following sixty-day probationary period clause, on the other hand, gives the probationary employee the right to bring what he feels to be an unfair discharge to a hearing before management and the union's top committee (the fourth step in the contract's grievance procedure):

"Employees shall be regarded as probationary employees for their first sixty days of accumulated service, at which time their names shall be placed on the seniority list. Seniority shall be determined by the date of hiring by the company.

"It is understood that during the first sixty days of accumulated service the company shall have the right to lay off or discharge such new employee in accordance with the ability of such new employee to adapt himself to the work to which such new employee may be assigned.

This is solely management's prerogative, and there shall be no recourse to regular grievance procedure relative thereto. Provided, however, that if a probationary employee feels that he has been unjustly discharged he may file a grievance within three days after discharge, and a fair hearing will be granted before the management and top committee, with management being the final judge. If a probationary employee is laid off through no fault of his own and rehired, then on completion of his probationary period he shall be credited with his previous service in determining seniority."

An employee can be laid off for as long as a year and still keep his accumulated probationary time under the following ten-week clause:

"Seniority shall be established as of date of hiring by the company. However, there shall be a ten-week probationary period for all new employees. During the probationary period the employee may be laid off or discharged as determined by the company, provided that this provision will not be used for the purpose of discrimination because of membership in the union.

"Probationary employees laid off during the probationary period and rehired within one year shall, upon completion of an accumulated ten weeks' employment with the company, establish seniority. The seniority date of such employees will be the day ten weeks prior to the day they completed the probationary period."

A few UAW agreements, such as the following New England contract, specify that employees during a probationary period cannot be discharged for membership or activities in a union.

"All new employees shall be regarded as probationary employees during the first ninety calendar days of their employment by the company. A probationary employee shall have no seniority rights and his retention as an employee is entirely within the discretion of the company, except that no such employee shall be discharged because of his membership or activity in the union. The company may in its discretion refuse to permit such new employees to participate in or be paid a production bonus under the incentive system during the period of their probation."

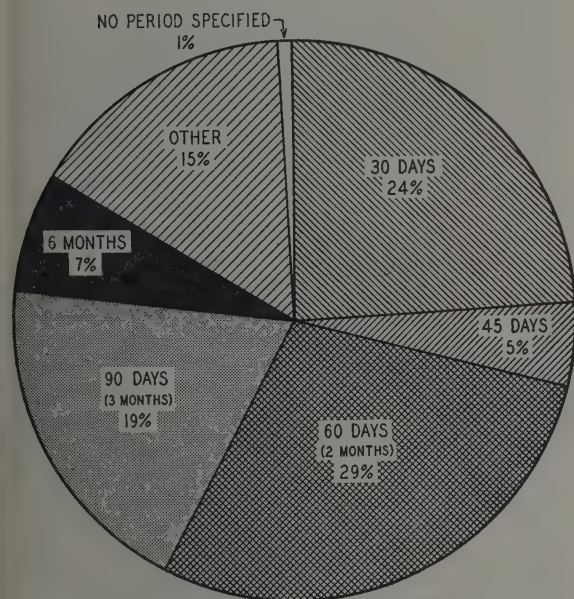
PERIOD MEASURED IN HOURS

Instead of calling for a specified number of weeks or months of employment for the probationary period, some UAW agreements use the number of hours. This occurs in the contract of a large Detroit manufacturer:

"Employees shall be regarded as probationary employees for the first 240 hours of actual work. Since probationary employees are not eligible for union representation, there shall be no responsibility for reemployment of probationary employees cleared. After completion of their probationary period, the names of such employees shall then be placed in the seniority file in accordance with their occupation in order of the last date of hiring wherein they obtained the 240 hours."

Probationary Periods in One Hundred United Automobile Workers, CIO, Contracts

100 Contracts = 100%



Note: "Other" classification breaks down as follows: 2 specify 10 weeks; 2 for 4 months; 1 for 75 days; 1 for 80 hours; 8 for 12 weeks; 1 for 30-90 days; 1 for 240 hours; 1 for 52 days; 1 for 60-120 days; 1 for 6 weeks; 1 for 120 days.

A sliding scale for probationary periods, depending on the relative difficulty of the job, is used in a few UAW contracts. The UAW contract of an East Coast manufacturer sets up a sliding scale from 60 to 120 days:

"Section 1. All new employees shall be deemed to be engaged for a trial period which shall be as follows:

"(a) In labor grades 1 through 6, inclusive—sixty calendar days.

"(b) In labor grades 7 through 13, inclusive—one hundred and twenty calendar days.

"(c) Trainees for jobs in labor grades 4 through 6, inclusive—ninety calendar days.

"(d) Trainees for jobs in labor grade 7 and 'B' classifications in labor grade 8—one hundred and twenty calendar days.

"During this period, they shall be considered probationary employees and shall be entitled to no seniority but at the expiration of their trial periods, their seniority shall go back to the date of their employment. All probationary employees may be laid off or dismissed at the discretion of the company with or without cause and such layoffs and dismissals shall not be a matter subject to a grievance.

"Section 2. Employees may acquire seniority by working the probationary period, referred to in Section 1 (a), (b), (c), and (d), above, during the period of eighteen months, in which event the employee's seniority will date back the required number of calendar days from the date seniority is acquired."

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Labor Press Highlights:

Labor Looks at Unity Move

UNIFICATION of labor's forces got major attention in last month's labor press. Chief talking point was CIO President Phil Murray's bid to all major labor groups to "coordinate our efforts in the economic, legislative and political spheres," and to "seek to achieve the organic unity of all American labor."

The CIO News, in a roundup of responses to the Murray letter, reports that the United Mine Workers of America and the International Association of Machinists are ready to cooperate in a joint committee to seek unification. AFL President Green's response promises referral of the proposal to the AFL executive council which meets this month.¹ H. W. Frazer of the Railway Labor Executives Association has transmitted the letter to presidents of all affiliates and Alvanley Johnston of the Locomotive Engineers promises discussion of the Murray proposal at the Brotherhood's June convention.

The Machinist (IAM, ind.) prints in full President A. J. Hayes' response to Mr. Murray. In it, Mr. Hayes points out that the IAM has already worked out a jurisdictional agreement with the UAW-CIO and is seeking a similar resolution of jurisdictional problems with the AFL. In his letter, Mr. Hayes states that if all labor leaders could "find the courage" to settle jurisdictional differences, every labor organization would gain in strength.

The United Mine Workers Journal, under the head

¹At this meeting, the AFL executive council authorized selection of "a committee to meet a like committee of the CIO to engage in a conference looking toward an early and successful realization of unity upon a permanent and secure basis between our respective organizations."

"UMWA Labor Unity Moves Bear New Fruit as CIO Acts to Consolidate All Forces," reprints John L. Lewis' one paragraph reply to Mr. Murray. In addition, the *Journal* points out that the UMW in its 1948 convention called for the end of the "senseless stupidity." The *Journal* also recounts the UMW's recent efforts to bring about "solidarity among the labor groups" and "mutual aid pacts."

The Union Leader (Electric Railway and Motor Coach Employees, AFL) quotes Mr. Green as saying, "This must be an all-or-nothing proposition. Anything less would be temporary." However, comments *The Union Leader*, "other labor spokesmen have criticized the manner in which the CIO put out its proposal. 'If Murray really meant this, he should have met with us privately and explored the ground,' one of them said. 'Newspaper headlines are not the way to bring unity.'"

Some side lights that may bear on the unity move show up in other papers. Unified action on the hiring hall has already been taken by seven maritime unions—three CIO, three AFL and one independent—reports *The CIO News*. Leaders in the maritime unions' move are Joseph Curran of the National Maritime Union, CIO, and Harry Lundeberg, president of the Seafarers' International Union of North America, AFL. A note on "mutual aid" also appears in the *United Automobile Worker* (UAW-CIO). Listed there among the contributors to the Chrysler Strike Fund is Local 433 of the AFL Automobile Workers of America, with a contribution of \$200.

Yet another angle on the unity move appears in the *East Tennessee Labor News* (AFL) headline:

"AFL Continues to Enrol Former Members of the CIO." According to the report, the AFL International Brotherhood of Electrical Workers has won sole bargaining rights for 12,500 employees of the Pacific Gas and Electric Company. Before the election, the CIO's Utility Workers Union had represented 5,000 P G & E workers in the San Francisco area.

And the *St. Louis Labor Tribune* (AFL, Mo.), reports that Dave Beck, executive vice-president of the AFL Teamsters' union, told the National Teamsters' Organizing Conference that the union is out to expand and organize its jurisdiction throughout the United States. Referring to the Teamsters' fight with Harry Bridges' Longshoremen on the West Coast, Dave Beck is reported to say that there will be no compromise.¹ On the over-all prospect of peace within the labor movement, Dave Beck is quoted as saying:

"Yes, we can have peace if we are willing to give away everything these organizations want from us. Our country also could have peace if it would give Russia everything she wants. But, we will not give up our jurisdiction; we will fight for it, and we will devise such a machinery of organization that we can protect ourselves under all conditions. That is what we must do."

AFL Cites Local Actions to Create Jobs

To create two million jobs in 1950, AFL's *Monthly Survey* calls for local federations to set up full employment committees whose main purposes would include: finding markets for local products, proposing new products for existing factories, and attracting new industries to the community. Cited as examples of actions already taken are: (1) A north central town where the committee prevailed upon two firms' (in a nearby city) to buy idle defense plants and thus employ 400 men; (2) an eastern town where a rubber plant was kept from closing down when a way was found to switch production to plastics; (3) a small town whose people contributed money to erect and put into operation a shoe factory. The plant brought a pay roll of \$1 million a year into the community.

More on Foreign Trade

Administration leaders heard protests of two unions last month on imports of foreign goods. The CIO's United Shoe Workers of America asked Secretary of the Treasury John Snyder to investigate "dumping" of Czechoslovakian shoes on the American market. As reported in the Shoe Workers' edition of *The CIO News* the union claims that "shoes from behind the Iron Curtain are being dumped on the New York market at the wholesale price of \$1.20 per pair against a minimum production cost—without a penny allowed for labor—of \$1.33 per pair."

The AFL Meat Cutters and Butcher Workmen's Union claims the Department of Commerce solicited New York wholesalers to purchase imported hams. An editorial in *The Butcher Workman* says: "When the United States

¹See "Labor Press Highlights—Teamsters Move in on Bridges," *The Management Record*, April, 1950, p. 150.

Department of Commerce actually becomes the sales agency for foreign meats in the United States it is to some extent hitting below the belt. . . . If it were half as interested in the sale of domestic products as it is in the sale of imported products, it is probable that a great many small packers would not have been forced to sell their plants."

CIO Out for Canal Zone Workers

Workers in the Panama Canal Zone area, a stronghold of the CIO-expelled United Public Workers, were promised CIO aid in organizing an autonomous unit, according to a report in *The CIO News*. CIO Director of Organization Allan S. Haywood, in a letter to Panama Canal Zone workers, calls the former union setup "unfortunate," but pledges continued CIO efforts to build a democratic unit.

Almost concurrently, *The CIO News* reports that this month hearings will be held on charges of communist domination levelled at Harry Bridges' International Longshoremen Workers' Union, the Marine Cooks and Stewards Union headed by Hugh Bryson, and the Fishermen and Allied Workers, headed by Joseph F. Jurich. The hearings on the Fur and Leather Workers, Ben Gold's union, have been postponed until June 1.

IBEW Local Balks at Federal Bid in Utilities

Objection to government loans for construction of plants to generate electricity will be filed with the Rural Electrification Administration by a Jefferson City, Mo., local of the International Brotherhood of Electrical Workers, AFL, says a report in the *Central Missouri Labor News* (AFL, Missouri). The local members believe that the government's move will jeopardize their jobs, continues the report. The union's statement to the REA says, in part: "We are of the opinion that this present public power movement will grow to the extent of government ownership of all electric utilities in our state, and that eventually all of the operating personnel will be employees of government-controlled cooperatives. This will mean we will either be out of jobs or, if we decide to follow our chosen vocation, will be working for and under the rules of government-controlled agencies."

Steelworkers Go to College

College days will soon start for 2,000 members of the CIO United Steelworkers of America, reports *Steel Labor* (USA, CIO). The summer institute program, which started in 1945 at Pennsylvania State College will be carried on at fourteen universities this year. Courses to be given, says the report, will be adapted to fit Steelworker students who are returning for their second, third or fourth years.

Textile Workers, CIO, Assets at \$3.8 Million

Total assets of the Textile Workers Union of America, CIO, as listed in *Textile Labor*, were \$3,854,875.20 for the fiscal year 1949. Total income was \$5,752,219.00 of which per capita tax accounted for \$3,617,488.88.

HAROLD STIEGLITZ

Division of Personnel Administration

Trends in Employee Benefit Plans

Second Offer of Company Stock

The Westinghouse Electric Corporation is making its second offering of common stock to employees. In all, 500,000 shares have been set aside for purchase by employees through pay-roll deduction. Employees who are continuously employed and have worked sometime during the quarter preceding the stock offer are eligible to participate.

Stock is offered during the first twenty days of April and October in each year. When the employee authorizes pay-roll deductions, they will be continued until he reduces the amount of his deductions or cancels his election altogether. Increases in contributions are permitted during the same periods that stock is offered for sale. The minimum pay-roll deduction allowed is two dollars a week, while the maximum is 12% of the employee's annual salary. An employee may not, however, buy more than 125 shares in a twelve-month period. Interest will not be paid on deductions from pay.

During the first six-month period, the price of the stock will be four dollars a share less than the average market price for the first twenty days of October, 1950. In no event will the purchase price be more than thirty-five dollars or less than twenty-five dollars a share. At the close of business on October 31, 1950, and every April 30 and October 31 thereafter, the employee's deductions will be used to purchase the maximum number of shares of stock which the amount in his account will buy. The employee's right to receive and his obligation to take those particular shares will not thereafter be subject to cancellation by the company or the employee. Any balance remaining in the account will be carried forward into the next six-month period.

The employee may reduce his contributions or cancel them. In the latter case, the employee is entitled to receive in cash, without interest, the entire amount to his credit.

Under the company's first stock-purchase plan, which was ended last November, nearly 9,000 employees purchased more than 163,000 shares.

Stock Bonus for Thrift

The Standard Oil Company (Indiana) has announced a new employee thrift plan which provides a free offering of company stock. Employees who are participating under the company's contributory pension plan may deposit in the thrift fund from 2% to 4% of their earnings. This money is used to purchase United States savings bonds, series E. If the employee participates in the savings plan for a year, the

company will give him one share of company stock for each full "bonus unit" of pay-roll deductions which has been credited to his savings bond account. The "bonus unit" for any year equals one and one half times the book value of a share of stock at the end of the preceding year. For the first year, this means that a bonus of one share of stock will be given for each \$106 deducted under the plan for bond purchases. The bonus stock may be bought by the company on the open market or taken from authorized but unissued stock.

An interesting feature of this plan is the attempt of the company to overcome the unsatisfactory experience under its previous stock purchase plan, which was in effect from 1921 to 1938. Although the company contributed two thirds of the cost of the stock, the stock market during the depression fell so drastically that the quoted price was below the actual cost of the stock to the employees. Consequently there was considerable employee dissatisfaction. The stock purchase plan was discontinued in 1938 when the company's pension plan was placed upon a contributory basis.

The management believes that the encouragement of more general stock ownership by employees is highly desirable. And, by giving the stock free, the company is not subject to SEC regulations for stock purchase plans. In addition, there is no possibility that the market price of the stock will again fall below the cost to employees.

This plan will be submitted to stockholders for approval.

Chrysler Pension Strike Settled

The Chrysler ninety-nine day strike was settled on May 4 with the granting of a \$100 a month pension. The pension section of the agreement between the company and the United Automobile Workers, CIO, runs for five years. It provides for a maximum \$100 a month pension for employees who have reached age sixty-five and have completed twenty-five years of service. Proportionately smaller pensions will be paid to workers retiring at age sixty-five with ten or more years of service. Social Security benefits, as presently constituted or revised, will be deducted from the company pension.

Normal retirement is at age sixty-five but the employee may work until sixty-eight, with the company's consent.

One of the chief differences between the company and the union was the method of funding. The union wanted a company contribution of a specified cents

per man-hour and joint control over the fund. According to the terms of the final settlement, the company is not committed to a fixed contribution, but the pension plan will be financed on a level funding method similar to that used by the Ford Motor Company. The union will not have any voice in the administration of the fund, but a joint committee of management and the union will pass on such matters as eligibility.

An insurance program will also be installed, to which the company will contribute 3 cents per man-hour. Workers retiring after age sixty-five with fifteen or more years' service will receive free life insurance ranging from \$500 to \$1,000, depending on the length of service. Benefits to employees include life insurance, accident and sickness benefits, hospital, surgical and in-hospital medical benefits.

Extras for Employee Benefits

In 1949, The Texas Company contributed \$633 per employee for "extras," according to its annual report to employees. The amounts expended by the company for the benefit of employees, in addition to wages and salaries, and included in the pay roll are:

Vacations.....	\$6,732,500
Accident and sickness benefits.....	1,868,478

Total.....\$8,600,978

Average per United States employee..... \$263

Cost of benefits not included in the pay roll are:

Group life insurance, pensions, hospital and surgical benefits.....	\$ 8,997,396
Supplemental death benefits (previous plan)...	3,183
Permanent total disability.....	190,808
Workmen's compensation and special insurance.....	912,358
Federal old age security tax.....	960,280
Unemployment tax.....	1,036,798

Total.....\$12,100,823

Average per United States employee..... \$370

Grand Total.....\$20,701,801

Average per United States employee..... \$633

Bonus Plan for Merit

A new bonus plan, effective March 28, 1950, has been announced by the Monsanto Chemical Company. After deduction of 7% of the outstanding capital stock of all classes, debt and surplus, and adjustment for income taxes, the bonus committee may allot up to 12% of the balance as a bonus reserve. The committee is not obligated to pay out all this fund during the current year, but may carry any unawarded portion forward, or remove it from the reserve.

Employees are eligible for a bonus award if they

are receiving a salary above the rate which the committee determines from year to year. The amount of the bonus award for the individual employee is also determined by the committee upon recommendation by the chief executive officer.

Bonuses may be made in common stock, cash, or both. The bonus is to be paid in five equal annual instalments. If an employee's services are terminated for cause, he forfeits his rights to unearned bonus awards. In case of resignation, he also forfeits the unpaid bonus, unless the committee decides otherwise. The balance of forfeited unearned bonuses is retained by the company and may not be credited to the bonus reserve.

The bonus committee is elected by the board of directors from among its members.

Warn Against Local Pensions

Employers and employees in the electrical contracting industry have been advised against setting up local pension funds, according to a joint statement by the president of the International Brotherhood of Electrical Workers, AFL, and the chairman of the labor relations committee of the National Electrical Contractors Association.

The arguments which they give against local pension plans are:

1. The employee loses his rights under a local pension plan if he should move to another community before he retires.

2. The base of a local plan is too narrow. An unexpected change in local employment conditions can destroy the security of a local plan.

3. The importance of building adequate reserves to stabilize and guarantee the national fund cannot be overemphasized.

National contractors are now paying 1% of pay roll into a National Electrical benefit fund for pensions. The joint statement, it is believed, is aimed against Local No. 3 of the IBEW, New York, which has negotiated a comprehensive welfare benefit and pension program which is financed by employer contributions of 3% of pay roll.

Du Pont \$100 Pensions Approved

The revised \$100-a-month minimum pension plan was approved almost unanimously by the stockholders of E. I. du Pont de Nemours & Company, Inc. Employees are eligible for the \$100-a-month minimum, which includes Social Security benefits, if they are sixty-five years of age and have completed twenty-five years of service. The plan was originally adopted in 1904. The most recent revision was effective May 1.

F. BEATRICE BROWER

Division of Personnel Administration

Trends in Labor Relations

NLRB Rules on Section 9a

In an important decision, the National Labor Relations Board held that a union has a right to be present at every adjustment of a worker's grievance, including adjustments on the worker-foreman level. This decision was handed down in the case of Bethlehem Steel Company *vs.* the CIO Shipbuilding Workers. It is the first decision interpreting the section of the Taft-Hartley Act giving individual employees the right to present grievances (Section 9a). Because a number of union contracts do not specifically provide for union participation at the worker-foreman level, this decision may have widespread repercussions in the labor relations field.

The board held that Bethlehem Steel Company, Shipbuilding Division, did not bargain in good faith and interfered with workers' rights by insisting that the Shipbuilding Workers sign a contract with this clause:

"Any matter which in the opinion of the union or any employee at any yard requires adjustment may be taken up by such employee, with or without the steward of the union for the department in which such employee works, as such employee shall elect, with the foreman of such department and, if it shall not be satisfactorily disposed of by the foreman, it may then be taken up as a grievance in the manner hereinafter set forth."

The union contended that a grievance "disposed of by the foreman" constituted a settlement under the Taft-Hartley Act's Section 9a which says:

"Representatives, designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment;

"Provided, that any individual employee or a group of employees shall have the right at any time to present grievances to their employer and to have such grievances adjusted, without the intervention of the bargaining representative, as long as the adjustment is not inconsistent with the terms of a collective bargaining contract or agreement then in effect;

"Provided further, that the bargaining representative has been given opportunity to be present at such adjustment."

The company officials denied that they failed to fulfil their bargaining obligations. They contended the following:

"(a) The disputed clause does not deprive the union of its rights under Section 9a; (b) nothing in the act prohibits them from demanding in good faith an agreement containing this provision; and (c) at any rate, it would not effectuate the policies of the act to require that the union be given an opportunity to be present at the initial adjustment of grievances by foremen."

To these arguments, the board members, in their unanimous decision, replied that the union should not be required to bargain away this right given to it by law. They stated that insistence by the company on this point constituted an unfair labor practice.

With regard to the company's third argument that "it would not effectuate the policies of the act to require the union to be present at the initial adjustment of grievances by the foremen," the board said: "Section 9a secures to the bargaining representative the right to attend the adjustment of grievances without qualification and it is not within our province to restrict it."

Union Entitled to Merit Rating Data

A union is entitled to full information on individual merit ratings and pay boosts even though its contract gives the employer complete power to make such ratings and increases without consulting the union. That is the substance of a three-to-one ruling of the National Labor Relations Board in a case brought by the International Association of Machinists against the General Control Company.

A majority of the board found that the company was guilty of a refusal to bargain collectively by refusing to furnish the union: "the name, classification, rate of pay, and merit rating score of each employee . . . and full information with respect to individual periodic merit wage increases or decreases, including the names of employees who received such increases or decreases, the amount of such increases or decreases, and the dates on which such increases or decreases were put into effect."

The board ordered the company to furnish these data upon request of the union. It held that this information was "necessary" in order for the union to determine whether or not the contract was being properly administered. The merit ratings were used by the company also in determining layoffs, discharges and promotions. The company had taken the position that it would give the union this information only in individual cases in which grievances or complaints had been filed. The board ruled that the company should furnish merit rating information on all employees in the bargaining unit.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Consumers' Prices for March

THE CONFERENCE BOARD's consumers' price index for March, 1950, has been computed for the first time, on the new modified quarterly reporting system.¹ The continuity of the old consumers' price index for the United States has been preserved with the new "Consumers' Price Index for Fifty-four United States Cities."

The accompanying chart shows a comparison of the all-items index for the fifty-four United States cities and the new 10-city index. Both a 10-city index and the 54-city index will henceforth be published. It can be readily seen that the price movements in the ten key cities, which are measured monthly, follow the same trend as the combined 54-city index.

For the first quarter of 1950, THE CONFERENCE BOARD's consumers' price index for fifty-four cities increased 0.1% indicating relative stability. The March increase of 0.4% brought the index up to 159.4.

Food, the most heavily weighted item in the budgets of moderate-income families, showed a gain of 0.9% over the month. It remains, however, 10.5% lower than in July, 1948, the all-time high for this series.

Most sources reported higher prices for all meats, fish, chicken, eggs, oranges, spinach and apples. Declines in most fresh vegetables, salmon and dairy

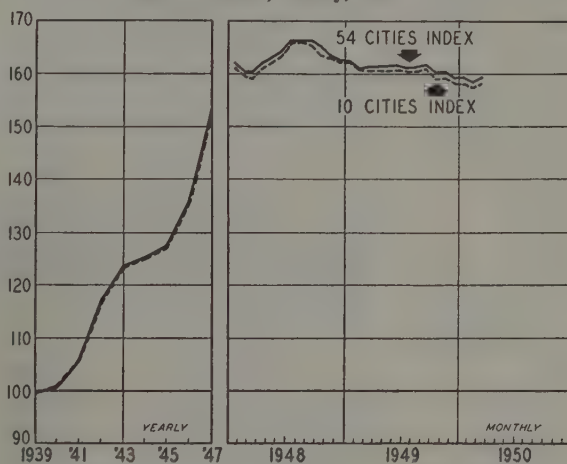
¹See "New Schedule for Index," *The Management Record*, April, 1950, p. 156.

products failed to counteract the general upswing. Since March, 1949, food prices decreased 3.2%—the smallest decrease to be shown by any major budget category. The fuel index, which covers gas and elec-

(Text continued on page 194)

Consumers' Price Index—United States

Index Numbers, January, 1939 = 100



Source: THE CONFERENCE BOARD

Consumers' Price Index for 54 United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 March.....	161.4	207.7	112.1	150.8	163.2	140.2	129.3	91.0	101.1	154.4	151.9	62.0
April.....	161.4	208.7a	112.3	148.7	161.9	137.7	127.9	91.0	101.3	153.1	151.9	62.0
May.....	161.6	208.2b	112.3	147.8	160.7	136.9	126.8	91.9	101.8	151.8	153.9	61.9
June.....	161.7	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.1	61.8
July.....	161.2	207.8c	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.1	62.0
August.....	161.3	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	154.3	62.0
September.....	161.9	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	154.6	61.8
October.....	160.2	204.0d	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	154.5	62.4
November.....	160.2	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	154.5	62.4
December.....	159.2	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	154.4	62.8
Annual average.....	161.2	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	153.5	62.0
1950 January.....	159.3	200.9e	114.7r	143.2r	156.0r	132.3	130.4r	92.6	101.6r	147.6	154.1	62.8
February.....	158.7r	199.3r	114.7r	142.7r	155.7r	131.8r	130.6r	92.6	101.6r	147.9r	154.1r	63.0r
March.....	159.4	201.0	114.8	142.6	155.5	131.8	131.0	92.7	101.6	147.9	154.2	62.7

Percentage Changes

Feb., 1950 to March, 1950.	+0.4	+0.9	+0.1	-0.1	-0.1	0	+0.3	+0.1	0	0	+0.1	-0.5
Mar., 1949 to Mar., 1950.	-1.2	-3.2	+2.4	-5.4	-4.7	-6.0	+1.3	+1.9	+0.5	-4.2	+1.5	+1.1

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from March 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for April 14, 1949.

^bBased on food prices for May 16, 1949.

^cBased on food prices for July 14, 1949.

^dBased on food prices for October 13, 1949.

^eBased on food prices for January 16, 1950.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

SOURCE: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Mar. 1950	Feb. 1950	Mar. 1949	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950		Mar. 1950	Feb. 1950	Mar. 1949	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950
Atlanta						Lansing					
Food.....	198.2	197.3	209.2	+0.5	-5.3	Food.....	213.5	206.4 ^r	220.8	+3.4	-3.3
Housing ¹	113.5	113.5	110.5	0	+2.7	Housing ¹	112.8	110.8	102.6	+1.8	+9.9
Clothing.....	130.4	130.9	138.6	-0.4	-5.9	Clothing.....	142.2	142.0	153.6	+0.1	-7.4
Fuel ²	141.5	140.5	137.4	+0.7	+3.0	Fuel ²	142.2	142.5	140.8 ^r	-0.2	+1.0
Housefurnishings.....	149.3	148.1	153.1	+0.8	-2.5	Housefurnishings.....	150.6	151.8	161.3	-0.8	-6.6
Sundries.....	142.1	143.2	133.7	-0.8	+2.5	Sundries.....	158.7	153.8	155.0	-0.1	+2.4
Weighted Total.....	153.0	153.1	155.4	-0.1	-1.5	Weighted Total.....	161.0	158.7 ^r	161.6 ^r	+1.4	-0.4
Buffalo						Louisville					
Food.....	218.1	218.7	219.5	-0.3	-0.6	Food.....	204.8	204.7	213.7	a	-4.2
Housing ¹	121.5	121.5	117.8	0	+3.1	Housing ¹	107.1	107.1	107.1	0	0
Clothing.....	141.9	141.9	147.3	0	-3.7	Clothing.....	137.7	138.0 ^r	148.4	-0.2	-7.2
Fuel ²	147.0	145.9	146.3 ^r	+0.8	+0.5	Fuel ²	163.7	161.1	156.1	+1.6	+4.9
Housefurnishings.....	145.6	145.2	155.8 ^r	+0.3	-6.5	Housefurnishings.....	154.1	154.1	159.6	0	-3.4
Sundries.....	154.4	154.3	150.0	+0.1	+2.9	Sundries.....	161.1	161.3	161.2	-0.1	-0.1
Weighted Total.....	165.9	165.9	165.4 ^r	0	+0.3	Weighted Total.....	164.4	164.3	168.3	+0.1	-2.3
Cleveland						Milwaukee					
Food.....	201.7	201.6 ^r	208.0 ^r	a	-3.0	Food.....	204.5	204.4 ^r	210.9	a	-3.0
Housing ¹	117.1	116.9	116.7	+0.2	+0.3	Housing ¹	146.1	146.1	112.5	0	+29.9
Clothing.....	150.5	151.0	160.3 ^r	-0.3	-6.1	Clothing.....	154.3	154.7	160.1	-0.3	-3.6
Fuel ²	141.9	141.2	136.6	+0.5	+3.9	Fuel ²	135.6	135.6	134.2 ^r	0	+1.0
Housefurnishings.....	156.3	156.0	161.4 ^r	+0.2	-3.2	Housefurnishings.....	160.1	160.1	164.7	0	-2.8
Sundries.....	150.9	151.4	150.7	-0.3	+0.1	Sundries.....	157.8	157.8	156.9	0	+0.6
Weighted Total.....	159.8	159.9 ^r	162.5	-0.1	-1.7	Weighted Total.....	167.3	167.4 ^r	163.0	-0.1	+2.6
Des Moines						Portland, Ore.					
Food.....	201.1	201.2	205.7	a	-2.2	Food.....	212.8	211.9 ^r	219.3	+0.4	-3.0
Housing ¹	109.9	109.9	107.7	0	+2.0	Housing ¹	122.8	122.8	122.8	0	0
Clothing.....	152.0	152.3	161.0	-0.2	-5.6	Clothing.....	166.1	166.4	170.0	-0.2	-2.3
Fuel ²	153.4	153.4	151.2 ^r	0	+1.5	Fuel ²	140.7	140.7	136.4	0	+3.2
Housefurnishings.....	150.1	150.3	158.1 ^r	-0.1	-5.1	Housefurnishings.....	134.1	135.1	138.3 ^r	-0.7	-3.0
Sundries.....	149.2	149.2	145.6	0	+2.5	Sundries.....	140.4	140.4	138.3	0	+1.5
Weighted Total.....	157.2	157.3	158.0 ^r	-0.1	-0.5	Weighted Total.....	162.0	161.8 ^r	163.6 ^r	+0.1	-1.0
Huntington, W. Va.						Providence					
Food.....	187.4	186.9	195.5	+0.3	-4.1	Food.....	203.0	200.8	209.6 ^r	+1.1	-3.1
Housing ¹	116.2	116.1 ^r	111.7	+0.1	+4.0	Housing ¹	106.2	106.2	106.2	0	0
Clothing.....	138.3	138.2	145.9	+0.1	-5.2	Clothing.....	152.5	152.7	155.2	-0.1	-1.7
Fuel ²	100.0	100.0	100.0	0	0	Fuel ²	140.5	142.2	143.9	-1.2	-2.4
Housefurnishings.....	139.6	140.8	158.7 ^r	-0.9	-12.0	Housefurnishings.....	131.4	131.7	139.5	-0.2	-5.8
Sundries.....	159.2	159.2	151.4	0	+5.2	Sundries.....	147.6	147.8	145.3	-0.1	+1.6
Weighted Total.....	155.8	155.7 ^r	156.9	+0.1	-0.7	Weighted Total.....	156.8	156.3	159.1	+0.3	-1.4
Kansas City, Mo.						Spokane					
Food.....	186.1	186.6	191.3	-0.3	-2.7	Food.....	200.7	201.2	211.3	-0.2	-5.0
Housing ¹	110.7	110.7	109.6	0	+1.0	Housing ¹	128.3	127.0	110.8	+1.4	+16.2
Clothing.....	148.7	149.6	156.4 ^r	-0.6	-4.9	Clothing.....	127.3	127.4	136.2 ^r	-0.1	-6.5
Fuel ²	121.2	121.1	121.4	+0.1	-0.2	Fuel ²	149.5	149.5	148.2	0	+0.9
Housefurnishings.....	138.4	138.5	145.4	-0.1	-4.3	Housefurnishings.....	137.7	137.2	144.3	+0.4	-4.6
Sundries.....	151.5	151.5	150.6	0	+0.6	Sundries.....	147.8	148.0	143.4	-0.1	+3.1
Weighted Total.....	151.8	152.0	154.0	-0.1	-1.4	Weighted Total.....	159.8	159.7	160.0 ^r	+0.1	-0.1
Toledo						Toledo					
Food.....	202.2	200.8	209.1	+0.7	-3.3	Food.....	202.2	200.8	209.1	+0.7	-3.3
Housing ¹	126.5	126.5	120.8	0	+4.7	Housing ¹	126.5	126.5	120.8	0	+4.7
Clothing.....	142.1	142.0 ^r	152.7 ^r	+0.1	-6.9	Clothing.....	142.1	142.0 ^r	152.7 ^r	+0.1	-6.9
Fuel ²	151.5	149.8	147.1	+1.1	+3.0	Fuel ²	151.5	149.8	147.1	+1.1	+3.0
Housefurnishings.....	141.7	141.7 ^r	143.3	0	-4.5	Housefurnishings.....	141.7	141.7 ^r	143.3	0	-4.5
Sundries.....	156.2	156.8	155.3 ^r	-0.4	+0.6	Sundries.....	156.2	156.8	155.3 ^r	-0.4	+0.6
Weighted Total.....	162.5	162.1	164.5	+0.2	-1.2	Weighted Total.....	162.5	162.1	164.5	+0.2	-1.2

Percentage Changes in Indexes for Two Cities

	Weighted Total		Food		Housing ¹		Clothing		Fuel ²		Housefurnishings		Sundries	
	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950
Evansville, Ind.	+0.2	-0.6	+0.5	-3.9	0	+0.8	-0.3	-4.3	0	+0.8	+0.3	-4.1	-0.1	+5.1
Trenton, N. J.	+0.5	-2.0	+1.1	-4.9	0	+0.9	-0.2	-4.2	+0.9	+1.0	+0.1	-6.3	-0.1	+2.8

¹Rents surveyed quarterly for individual cities.

²Includes electricity and gas.

^rRevised.

aLess than 0.1%.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
49 March.....	160.9	204.5	111.4	148.8	160.3	139.1	126.7	93.0	103.0	153.2	155.3	62.2
April.....	160.9	205.6a	111.4	146.5	158.8	136.1	125.5	93.0	103.1	152.5	155.2	62.2
May.....	160.8	204.9b	111.4	145.6	157.8	135.4	124.1	94.2	103.3	151.3	156.6	62.2
June.....	160.9	205.7	111.4	143.3	155.2	133.2	124.5	94.2	103.3	150.3	156.8	62.2
July.....	160.5	205.0c	111.4	142.4	153.9	132.6	124.4	94.2	103.3	148.3	156.8	62.3
August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	157.2	62.3
September.....	161.1	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.5	62.1
October.....	159.1	204.3d	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	157.4	62.9
November.....	159.3	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	157.4	62.8
December.....	158.2	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	157.3	63.2
Annual average.....	160.4	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.4	62.4
50 January.....	158.2	197.6e	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.0	63.2
February.....	157.6	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	156.9	63.5
March.....	158.3	197.7	112.3	140.8	152.1	131.2	127.9	94.2	102.7	147.8	157.1	63.2

Percentage Changes

Feb., 1950 to March, 1950.	+0.4	+0.9	0	-0.1	-0.2	0	+0.3	+0.1	0	0	+0.1	-0.5
March, 1949 to March, 1950	-1.6	-3.3	+0.8	-5.4	-5.1	-5.7	+0.9	+1.3	-0.3	-3.5	+1.2	+1.6

¹Rents surveyed quarterly in individual cities.
²Includes electricity and gas.

aBased on food prices for April 14, 1949.
bBased on food prices for May 16, 1949.
cBased on food prices for July 14, 1949.

dBased on food prices for October 13, 1949.
eBased on food prices for Jan. 16, 1950.

Consumers' Price Indexes for Cities Surveyed Monthly

SOURCE: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Mar. 1950	Feb. 1950	Mar. 1949	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950		Mar. 1950	Feb. 1950	Mar. 1949	Feb. 1950 to Mar. 1950	Mar. 1949 to Mar. 1950
Birmingham						Indianapolis					
Food.....	199.7	198.7	210.6	+0.5	-5.2	Food.....	208.5	208.0	213.1	+0.2	-2.2
Housing ¹	121.6	121.6	121.5	0	+0.1	Housing ¹	121.0	121.0	119.4	0	+1.3
Clothing.....	146.0	146.2	154.5	-0.1	-5.5	Clothing.....	140.3	140.5r	147.8	-0.1	-5.1
Fuel ²	130.2	127.9	126.4	+1.8	+3.0	Fuel ²	160.5	159.3	152.3r	+0.8	+5.4
Housefurnishings.....	148.3	148.3	150.5r	0	-1.5	Housefurnishings.....	146.5	146.5	151.3	0	-3.2
Sundries.....	140.3	140.3	138.9	0	+1.0	Sundries.....	154.5	155.5	155.2	-0.6	-0.5
Weighted Total.....	154.9	154.5	158.5	+0.3	-2.3	Weighted Total.....	163.1	163.2	164.9r	-0.1	-1.1
Boston						Los Angeles					
Food.....	190.8	188.0r	195.7	+1.5	-2.5	Food.....	199.0	199.2	212.0	-0.1	-6.1
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	113.1	113.1	111.9	0	+1.1
Clothing.....	138.9	139.0	144.6	-0.1	-3.9	Clothing.....	137.9	139.0	143.0	-0.8	-3.6
Fuel ²	157.0	156.9	159.2r	+0.1	-1.4	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	154.3	154.0	159.5	+0.2	-3.3	Housefurnishings.....	138.5	139.0	142.3	-0.4	-2.7
Sundries.....	150.9	151.0	150.1	-0.1	+0.5	Sundries.....	150.2	150.2	146.6	0	+2.5
Weighted Total.....	157.7	156.7	159.8	+0.6	-1.3	Weighted Total.....	153.8	154.0	157.0	-0.1	-2.0
Chicago						New Orleans					
Food.....	208.6	205.3r	212.7	+1.6	-1.9	Food.....	207.2	208.4r	208.2	-0.6	-0.5
Housing ¹	123.4	123.4	120.5	0	+2.4	Housing ¹	119.1	119.2	119.4	-0.1	-0.3
Clothing.....	141.6	141.3	150.2r	+0.2	-5.7	Clothing.....	148.7	149.2r	156.2r	-0.3	-4.8
Fuel ²	115.8	115.3	111.5	+0.4	+3.9	Fuel ²	90.6	90.6	91.7	0	-1.2
Housefurnishings.....	142.8	142.4	151.0	+0.3	-5.4	Housefurnishings.....	154.4	158.4	162.6	-2.5	-5.0
Sundries.....	157.9	158.1	153.9	-0.1	+2.6	Sundries.....	140.2	139.6	139.3	+0.4	+0.6
Weighted Total.....	162.5	161.4r	163.0	+0.7	-0.3	Weighted Total.....	160.9	161.5r	162.3	-0.4	-0.9
Denver						New York					
Food.....	203.4	202.5	213.0	+0.4	-4.5	Food.....	192.4	191.2r	199.2r	+0.6	-3.4
Housing ¹	113.4	113.4	113.4	0	0	Housing ¹	104.6	104.6	104.4	0	+0.2
Clothing.....	151.6	151.8	154.0	-0.1	-1.6	Clothing.....	142.3	142.5	150.7	-0.1	-5.6
Fuel ²	106.0	105.0	105.2	+1.0	+0.8	Fuel ²	130.0	130.0	130.1r	0	-0.1
Housefurnishings.....	140.6	140.6	149.4r	0	-5.9	Housefurnishings.....	150.5	150.6	154.8	-0.1	-2.8
Sundries.....	147.4	147.7	146.0	-0.2	+1.0	Sundries.....	160.8	160.4	160.3	+0.2	+0.3
Weighted Total.....	156.2	156.0	159.3	+0.1	-1.9	Weighted Total.....	156.4	155.9	159.8r	+0.3	-2.1
Detroit						Philadelphia					
Food.....	202.9	201.6r	207.6	+0.6	-2.3	Food.....	188.0	184.4	197.9	+2.0	-5.0
Housing ¹	115.0	115.0	114.5	0	+0.4	Housing ¹	111.0	110.5	110.4	+0.5	+0.5
Clothing.....	141.0	140.8r	148.4	+0.1	-5.0	Clothing.....	132.5	132.6	143.0	-0.1	-7.3
Fuel ²	150.6	148.9	150.9r	+1.1	-0.2	Fuel ²	147.2	147.2	144.5	0	+1.9
Housefurnishings.....	152.7	151.2	161.0	+1.0	-5.2	Housefurnishings.....	147.3	147.7	150.1	-0.3	-1.9
Sundries.....	164.9	164.9	162.4	0	+1.5	Sundries.....	152.7	152.4	150.9	+0.2	+1.2
Weighted Total.....	162.0	161.4	163.9	+0.4	-1.2	Weighted Total.....	155.8	154.4	159.9	+0.9	-2.7

¹Rents surveyed quarterly for individual cities.

²Includes electricity and gas.

rRevised.

(Text continued from page 191)

tricity as well as liquid and solid fuels, followed food with a rise of 0.3%.

RENT AT ALL-TIME HIGH

Housing, which was on a quarterly schedule of January, April, July and October, is now computed monthly. The individual cities are still surveyed quarterly, but one third of them are done each month.¹ The rent index increased 0.1% from February to March, reaching an all-time high of 114.8. The sundries index, which rose 0.1%, was affected by increases in personal care, medical and dental fees.

Clothing was the only major component to show a decrease in March. The drop of 0.1% in the combined clothing index was caused by a decrease in the price for men's wear, while the index of women's clothing remained unchanged. Although men's topcoats tended to decrease in price, no significant price movements were in evidence. Housefurnishings remained unchanged over the month.

Purchasing value of the January, 1939, dollar declined 0.5% from February, 1950, but increased 1.1% since March, 1949.

SHIRLEY FASS
Statistical Division

¹This includes the "monthly" cities as well.

Hobby Shows

(Continued from page 183)

recording and classifying them, finding a suitable place in which to hold the show, assigning adequate space for each exhibit, assisting the entrants in setting up their displays (including the assembling of tables, cases, wall boards and signs), taking care of the exhibits while they are being shown, and seeing that they are removed at the conclusion of the show. Typical general committees are publicity, space arrangements, ticket arrangements, exhibits, and entertainment. Another plan of organization is to have a chairman for each hobby group.

A usual procedure in starting a hobby show is to print an entry form in the newspaper or bulletin circulated to employees, or to put a notice on the bulletin board stating that forms can be obtained in the personnel department. On the form, the entrant supplies his name, address, department, a description of his entry and the approximate size of the space required for it. In some entry blanks, the exhibitor is asked to put an estimate on the value of his exhibit for insurance purposes.

A description of the precautions taken by the sponsoring organization to safeguard exhibits while they are in the show (for example, the provision of insurance and guards) is sometimes printed on the entry

blank. If not printed there, it is likely to be included in newspaper or other publicity to obtain entries, for without such assurance some are reluctant to deliver their prized possessions into the care of others.

PRIZES AND AWARDS

Cash prizes, if awarded, usually are not large. Five and ten dollars are ordinary first and second prizes. In many of the shows, an indication of merit is considered sufficient, and only ribbons indicate the decision of judges. The judges, incidentally, may be drawn from the community. At a Pollak Company hobby show, the judges included supervisors of industrial arts and a teacher of home economics from local high schools and a community recreation supervisor.

Occasionally, guests at hobby shows are asked to vote on the exhibits they have found most interesting. Photographs submitted in the show of the Philadelphia Electric Company last year were judged by popular vote of the public.

FAMILY PARTICIPATION

Ordinarily, exhibitors in hobby shows are company employees, but sometimes others are invited to participate. Company annuitants, for instance, have been asked to display their handiwork in shows of the Commonwealth Edison Company. In planning its first hobby show this year, home office employees of the Guardian Life Insurance Company of America welcomed entries of members of employees' families. Children of employees of the Electro Metallurgical Division of the Union Carbide & Carbon Corporation at Alloy, West Virginia, were urged to submit entries to the first hobby show put on by that company in April last year. Entries in the junior division, however, were judged separately from those in the adult division.

Hobby shows have aroused interest in avocation for the individual and have helped increase membership in the various hobby clubs in a company. At social events, the displays are educational as well as entertaining. By their participation and attendance employees have given ample evidence that they like hobby shows, which is probably sufficient explanation of why, once inaugurated, so many of the shows have become annual affairs.

GENEVA SEYBOLD
Division of Personnel Administration

Heads Ups Policy

A union of rope makers in Shanghai told Communist officials that it wanted a clause in its new contract guaranteeing that no rope it manufactured would be used for hanging. The Supervisor (Foremen's Association of America independent.)

Significant Labor Statistics

Item	Unit	1950			1949				Year Ago	Percentage Change	
		March	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.		Latest Month over Previous Month	Latest Month over Year Previous
Clerical salary rates¹											
Office boy (or girl).....	median in dollars	.....	.....	.....	.....	.....	33	.....	.....	.....	.....
Receptionist.....	median in dollars	.....	.....	.....	.....	.....	45	.....	.....	.....	.....
Telephone switchboard operator.....	median in dollars	.....	.....	.....	.....	.....	48	.....	.....	.....	.....
File clerk.....	median in dollars	.....	.....	.....	.....	.....	36	.....	.....	.....	.....
Junior copy typist.....	median in dollars	.....	.....	.....	.....	.....	36	.....	.....	.....	.....
Senior copy typist.....	median in dollars	.....	.....	.....	.....	.....	43	.....	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	.....	38	.....	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	.....	.....	.....	.....	45	.....	.....	.....	.....
Stenographer.....	median in dollars	.....	.....	.....	.....	.....	46	.....	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	.....	.....	.....	.....	42	.....	.....	.....	.....
Billing machine operator.....	median in dollars	.....	.....	.....	.....	.....	45	.....	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	.....	.....	.....	.....	46	.....	.....	.....	.....
Key punch operator.....	median in dollars	.....	.....	.....	.....	.....	42	.....	.....	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	201.0	199.3	200.9	200.9	204.0	204.0	209.6	207.7	+0.9	-3.2
Housing.....	Jan. 1939=100	114.8	114.7	114.7	113.7	113.7	113.7	112.7	112.1	+0.1	+2.4
Clothing.....	Jan. 1939=100	142.6	142.7	143.2	143.6	143.8	144.0	144.1	150.8	-0.1	-5.4
Men's.....	Jan. 1939=100	155.5	155.7	156.0	156.2	156.4	156.5	156.6	163.2	-0.1	-4.7
Women's.....	Jan. 1939=100	131.8	131.8	132.3	132.8	133.1	133.3	133.5	140.2	0	-6.0
Fuels.....	Jan. 1939=100	131.0	130.6	130.4	130.1	129.6	128.8	128.0	129.3	+0.3	+1.3
Electricity.....	Jan. 1939=100	92.7	92.6	92.6	92.6	92.6	92.3	92.3	91.0	+0.1	+1.9
Gas.....	Jan. 1939=100	101.6	101.6	101.6	102.0	102.0	101.9	101.8	101.1	0	+0.5
Housefurnishings.....	Jan. 1939=100	147.9	147.9	147.6	147.5	147.2	147.4	147.5	154.4	0	-4.2
Sundries.....	Jan. 1939=100	154.2	154.1	154.1	154.4	154.5	154.5	154.6	151.9	+0.1	+1.5
All items.....	Jan. 1939=100	159.4	158.7	159.3	159.2	160.2	160.2	161.9	161.4	+0.4	-1.2
Purchasing value of dollar.....	Jan. 1939 dollars	62.7	63.0	62.8	62.8	62.4	62.4	61.8	62.0	-0.5	+1.1
All items (BLS).....	1935-1939=100	167.0	166.5	166.9	167.5	168.6	168.5	169.6	169.5	+0.3	-1.5
Strikes (BLS)											
Beginning in period.....	number	p 210	225	150	200	250	290	239	239	-6.7	-12.1
Workers involved.....	thousands	p 75	185	40	70	600	475	78	78	-59.5	-3.8
Total man days idle.....	thousands	p 7,850	2,600	1,200	7,500	19,000	6,550	675	675	+201.9	+1063.0
Turnover rates in manufacturing (BLS)											
Separations ²	per 100 employees	p 2.9	3.1	3.2	4.0	4.1	4.2	4.1	4.1	-6.5	-29.3
Quits.....	per 100 employees	p 1.0	1.1	.9	1.2	1.5	2.1	1.4	1.4	-9.1	-28.6
Discharges.....	per 100 employees	p .2	.2	.2	.2	.2	.2	.3	.3	0	-33.3
Layoffs.....	per 100 employees	p 1.6	1.7	2.0	2.5	2.3	1.8	2.3	2.3	-5.9	-30.4
Accessions.....	per 100 employees	p 3.2	3.6	3.2	3.3	3.7	4.1	2.9	2.9	-11.1	+10.3
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.425	1.420	1.418	1.408	1.392	1.392	1.407	1.400	+0.4	+1.8
weekly.....	average in dollars	p 56.57	56.37	56.29	56.04	54.43	55.26	55.72	54.74	+0.4	+3.3
Hours per production worker.....	average per week	p 39.7	39.7	39.7	39.8	39.1	39.7	39.6	39.1	0	+1.5
Employment.....	1939 average=100	.....	139.9	139.8	140.4	137.8	138.8	143.7	147.4	+0.1	-5.1
Payrolls.....	1939 average=100	.....	330.1	329.2	329.3	313.9	320.9	335.1	340.4	+0.3	-3.0
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.488	1.483	1.485	1.476	1.457	1.458	1.482	1.464	+0.3	+1.6
weekly.....	average in dollars	p 59.97	59.47	59.40	59.19	56.82	58.17	58.69	57.83	+0.8	+3.7
Hours per production worker.....	average per week	p 40.3	40.1	40.0	40.1	39.0	39.9	39.6	39.5	+0.5	+2.0
Employment.....	thousands	p 6,072	5,986	6,001	5,961	5,719	5,651	6,060	6,417	+1.4	-5.4
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.353	1.350	1.343	1.334	1.325	1.325	1.328	1.323	+0.2	+2.3
weekly.....	average in dollars	p 52.90	53.06	52.78	52.69	52.07	52.47	52.59	51.07	-0.3	+3.6
Hours per production worker.....	average per week	p 39.1	39.3	39.3	39.5	39.3	39.6	39.6	38.6	-0.5	+1.3
Employment.....	thousands	p 5,479	5,478	5,450	5,543	5,570	5,717	5,715	5,487	0	-0.1
Class I railroads³											
Earnings, hourly.....	average in dollars	.....	.....	.....	1.625	1.620	1.614	1.612	1.398	+0.3	+16.2
weekly.....	average in dollars	.....	.....	.....	69.90	70.40	68.70	69.82	67.50	-0.7	+3.6
"Real" weekly earnings.....	1923=100	.....	.....	.....	175.8	175.9	171.6	172.6	165.9	-0.1	+6.0
Hours per wage earner.....	average per week	.....	.....	.....	43.0	43.5	42.6	43.3	48.3	-1.1	-11.0
Agricultural wage rates (BAE)⁴											
With board and room, per month.....	average in dollars	.....	.....	96.00	.....	.....	99.00	.....	102.00	-3.0	-5.9
With house, per month.....	average in dollars	.....	.....	118.00	.....	.....	120.00	.....	122.00	-1.7	-3.3
Composite rate per hour.....	average in dollars	.....	.....	.59	.....	.....	.57	.....	.60	+3.5	-1.7

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Based on reports from 20 cities.

²Includes miscellaneous; shown separately prior to February, 1950.

³Derived from Interstate Commerce Commission reports.

⁴Changes in Agriculture Wage Rates are quarterly.

^pPreliminary.

^rRevised.

Earnings and Employment Increase

EXPANSION in all the durable goods industries and a general improvement in most of the non-durable goods classifications increased the all-manufacturing employment level by 87,000 workers during March. The latest total is 11,551,000 production workers—11% below the postwar peak reached in November, 1947, and 3% or 353,000 workers less than in March, 1949.

LUMBER RANKS SWELL

The greatest number of accessions occurred in non-electrical machinery plants where 22,000 production workers were added to the pay rolls over the month. Outstanding, too, was the lumber and wood products industry which was sharply affected by favorable weather conditions and an upsurge in residential construction orders. Its employment ranks were swelled by 18,000 hourly paid workers between February and March, and by 9,000 workers since the corresponding period last year. Secondary effects of this construction boom are evidenced by the upward manufacturing pattern in the building materials and household furnishings and appliances groups.

Food, textile and rubber plants maintained a con-

stant employment level in February and March while decreases occurred in the tobacco, apparel and petroleum industries. This slack, it will be noted, was concentrated in the soft goods group, where only 1,000 net accessions were reported. The over-all change in the durable goods classification, in contrast, added up to 86,000 workers from February to March.

In March, for the third consecutive month, the average work week amounted to 39.7 hours in all manufacturing industries combined. Despite this no-change pattern and its subsequent curtailment of premium overtime payments, hourly and weekly earnings climbed to new peak levels—\$1.425 and \$56.57, respectively.

HOURLY EARNINGS RISE

The bulk of the earnings' gains prevailed in the durable goods classification. Nine out of eleven industries reported higher hourly returns with increases ranging from 0.1 cent in primary metals to 1.7 cents in lumber. Ordnance workers earned the same in March as in February while fabricated metal products workers received slightly less for an average hour's work during this same period.

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, March, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	March, 1950 ^p	Feb., 1950	March, 1949	March, 1950 ^p	Feb., 1950	March, 1949	March, 1950 ^p	Feb., 1950	March, 1949
ALL MANUFACTURING	56.57	56.37	54.74	39.7	39.7	39.1	1.425	1.420	1.400
Durable goods.....	59.97	59.47	57.88	40.3	40.1	39.5	1.488	1.483	1.464
Electrical machinery.....	59.22	58.52	56.50	40.9	40.5	39.1	1.448	1.445	1.445
Fabricated metal products (exc. ord., mach. and trans. equip.)..	59.79	59.87	57.35	40.4	40.4	39.5	1.480	1.482	1.452
Furniture and fixtures.....	52.38	52.08	48.87	41.7	41.6	39.6	1.256	1.252	1.234
Instruments and related products.....	57.28	56.68	55.18	40.0	39.8	39.7	1.432	1.424	1.390
Lumber and wood products (except furniture).....	51.69	50.88	50.21	40.1	40.0	40.3	1.289	1.272	1.246
Machinery (except electrical).....	63.38	62.74	60.85	40.6	40.4	39.9	1.561	1.553	1.525
Ordnance and accessories.....	61.33	60.88	57.90	40.7	40.4	39.6	1.507	1.507	1.462
Primary metal industries.....	63.00	63.60	61.70	39.3	39.7	39.0	1.603	1.602	1.582
Stone, clay, and glass products.....	56.38	55.98	54.18	40.5	40.3	39.9	1.392	1.389	1.358
Transportation equipment.....	67.58	66.16	63.19	40.2	39.5	38.6	1.681	1.675	1.637
Nondurable goods.....	52.90	53.06	51.07	39.1	39.3	38.6	1.353	1.350	1.323
Apparel and other finished textile products.....	43.40	44.43	43.41	36.2	36.6	36.3	1.199	1.214	1.196
Chemicals and allied products.....	60.05	59.88	57.51	41.1	41.1	40.9	1.461	1.457	1.406
Food and kindred products.....	54.50	54.17	52.80	40.7	40.7	40.9	1.339	1.331	1.291
Leather and leather products.....	44.04	43.93	42.56	37.8	38.1	37.5	1.165	1.153	1.135
Paper and allied products.....	57.58	57.72	54.45	42.4	42.5	41.0	1.358	1.358	1.328
Printing, publishing, and allied industries.....	71.39	70.41	69.56	38.3	38.0	38.6	1.864	1.853	1.802
Products of petroleum and coal.....	72.00	71.90	70.92	39.8	39.9	40.0	1.809	1.802	1.773
Rubber products.....	59.58	60.67	55.43	39.2	39.6	37.0	1.520	1.532	1.498
Textile-mill products.....	47.35	47.80	44.19	39.2	39.6	37.2	1.208	1.207	1.188
Tobacco manufactures.....	38.27	38.55	36.21	35.8	36.3	36.1	1.069	1.062	1.003

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

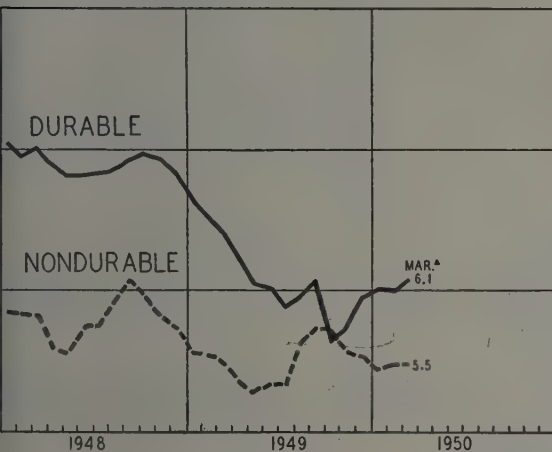
^pPreliminary.

Table 2: Production Worker Employment in Manufacturing Industries, March, 1950

(1939 average = 100)

Industry Group ¹	Employment (In Thousands)			
	Mar., 1950 ^p	Feb., 1950	Jan., 1950	Mar., 1949
LL MANUFACTURING.....	11,551	11,464	11,451^r	11,904
Durable goods.....	6,072	5,986	6,001 ^r	6,417
Electrical machinery.....	577	571	561 ^r	585
Fabricated metal products (exc. ord., mach. and trans. equip.).....	710	699	693	729
Furniture and fixtures.....	298	297	289	274
Instruments and related products.....	173	172	172	183
Lumber and wood products (except furniture).....	668	650	641 ^r	659
Machinery (except electrical).....	982	960	936	1,108
Ordnance and accessories.....	17.9	17.4	16.9	23.2
Primary metal industries.....	983	977	963 ^r	1,062
Stone, clay, and glass products.....	410	408	403	423
Transportation equipment.....	890	879	980 ^r	1,017
Nondurable goods.....	5,479	5,478	5,450 ^r	5,487
Apparel and other finished textile products.....	1,061	1,066	1,034 ^r	1,051
Chemicals and allied products.....	487	485	480	511
Food and kindred products.....	1,056	1,056	1,078	1,069
Leather and leather products.....	357	356	348	358
Paper and allied products.....	389	386	385	388
Printing, publishing, and allied industries.....	499	495	493 ^r	496
Products of petroleum and coal.....	181	183	184	187
Rubber products.....	187	187	187	194
Textile-mill products.....	1,183	1,183	1,176	1,150
Tobacco manufactures.....	79	81	85	85

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^rRevised^pPreliminary**Number of Production Workers in Durable and Nondurable Goods Industries**
In Thousands

Source: Bureau of Labor Statistics

Declines were concentrated in two of the soft goods industries surveyed by the Bureau of Labor Statistics—apparel, with a 1.5-cent reduction and rubber, which reported hourly earnings down 1.2 cents between February and March. The increases recorded in this group of industries were, for the most part, less than one cent but in printing and publishing and in leather, they went slightly higher.

On a weekly basis, production workers' earnings

rose 20 cents from February to March in all-manufacturing combined. Directly responsible was the durable goods group, with an over-all increase of 50 cents. The soft goods industries offset this pattern, however, by reporting a slight but general decline. A seasonal contraction in activity brought about reductions amounting to more than a dollar for workers in the rubber and apparel industries. These were the most extreme. Gains, on the other hand, totalled as much as \$1.42 in the transportation equipment industry. The major part of this sum was derived from overtime work in automobile plants. Expanded production in the Ford Company's Rouge factory, for example, necessitated a new work schedule—a six-day week, beginning early in February, for approximately 15,000 hourly paid employees.

ACCESSIONS INCREASE

Hiring rates, prepared by the Bureau of Labor Statistics for manufacturing industries, showed a considerable rise between February and March. Accessions rose from 32 out of every 1,000 employees on the pay rolls in February to 38 out of every 1,000 employees during the latest survey month. This was higher than at any time since September, 1949, and 27% above the year-ago level. Separations also increased over the month as a result of a higher quitting rate in both durable and nondurable goods industries.

ELIZABETH M. CASELLI
Statistical Division

Wage Settlement Announcements—March 15 to April 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure

Note: Adjustments verified by company unless otherwise specified.

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products</i>							
American Cyanamid Company..... Newark, N. J.	WE	\$.05 hr.	2-19-50	199	\$1.10 to \$1.385 hr. pro- duction employees	6-26-49	Three weeks' vacation after 15 years' service; 4 weeks after 25 years. Lunch allowance 80¢ if employee works two hours or more beyond end of established shift when requested to do so and was not notified before last leaving plan. Contract expires 3-8-51. (United Gas, Coal and Chemical Workers, CIO)
Davison Chemical Corporation..... Bartow, Fla.	WE	\$.03 hr. general	4-20-50	n.a.	n.a.	n.a.	Two additional paid holidays making a total of 10. Contract automatically renewed for one year. (Int'l Chemical Workers, AFL)
International Minerals & Chemical Corporation East Point, Ga.	WE	\$.02 hr.	1-9-50	n.a.	\$.86 laborers \$.91-\$1.01 key laborers	n.a.	Affects all classifications above starting labor rate. Starting rate 86¢ established for first 6 months of employment. Additional paid holidays. (Int'l Chemical Workers, AFL)
The Linde Air Products Company... Miami, Fla.	WE	\$.05 hr.	2-6-50	17	\$1.35 hr. average	2-1-49	(Transport Workers Union, CIO)
	S	\$2 wk.	2-6-50	3	\$53 wk. average	2-1-49	(No union)
Emery Industries, Inc..... Cincinnati, O.	WE	\$.05 hr.	2-7-50	219	\$1.15 hr. labor	2-6-50	Two-year contract. Reopening on wages on 2-6-51. Three days' pay in event of death of father, mother, husband, wife, son or daughter and attendance at funeral. Eight hours base rate while on jury duty less fees paid by court for such service. Benefit for first week of accident—min. \$21, max. \$30—to equal state payments. (United Construction Workers, UMW Ind.)
Mallinckrodt Chemical Works..... St. Louis, Mo.	WE	\$.05 hr. general	1-2-50	20	see remarks	4-1-49	Two and a half cents added to maximum of the engine room attendant and power plant operator. Previous hourly rates: power plant coal unloader \$1.225-\$1.425; operator \$1.45-\$1.52; maintenance \$1.55-\$1.675; engine room attendant \$1.55-\$1.675; fireman \$1.70-\$1.80. Wage reopening after 1-1-51. (Int'l Bro. of Firemen and Oilers and Maintenance Men, AFL)
<i>Food and Allied Products</i>							
American Sugar Refining Company... Arabi, La.	WE	\$.05 hr.	10-15-49	1,000	\$.94 hr. male \$.91 hr. female	4-15-49	Additional paid holiday making a total of 10. (United Packinghouse Workers, CIO)
Campbell Soup Company..... Napoleon, O.	WE	\$.05 hr. average	2-17-50	85	\$.95 hr. male \$.85 hr. female	4-49	(Amal. Meat Cutters and Butcher Workmen, AFL)
Dugan Brothers..... Queens Village, N. Y.	WE	\$.10 hr.	1-1-50	350	n.a.	10-1-48	Vacations liberalized. Wage reopening 1-5-51. (Bakery and Confectionery Workers, AFL)
H. J. Heinz Company..... Muscataine, Ia.	WE	\$.025 hr. general	2-1-50	150 male 150 female	\$.93-\$1.28 hr. male \$.80-\$1.375 hr. female	5-23-49	Wage reopening 2-1-51. (Amal. Meat Cutters and Butcher Workmen, AFL)
Libby, McNeill & Libby..... Hammond, Ind.	WE	\$.05 hr.	1-16-50	200	\$1.08 hr. male \$.97 hr. female	1-1-49	Wage reopening 1-1-52. (United Packinghouse Workers, CIO)
Pillsbury Mills, Inc..... Minneapolis, Minn.	S	\$10 mo.	1-1-50	16	\$153 mo. to \$233 mo.	1-1-49	Wage reopening 1-1-51. (Employees Int. Union, AFL)
Rockwood & Company..... Brooklyn, N. Y.	WE	\$.03 hr.	12-9-49	1,000 approx.	n.a.	n.a.	Wage reopening 12-1-50. Company contribution to welfare fund of 2.5¢ hour. (Bakery and Confectionery Workers, AFL)
	S	\$.03 hr.	12-9-49	85 approx.	n.a.	n.a.	(Bakery and Confectionery Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—MARCH 15 TO APRIL 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>etals</i> Anaconda Copper Co. Montana	WE	\$.05 hr.	4-50	n.a.	n.a.	n.a.	Increase retroactive to 3-1-50. Company contribution to hospital and medical plans increased. Changes in holiday clause. Members of four unions affected. Contract expires 6-30-51.
Phelps Dodge Corp. Ajo, Morenci, Ariz.	WE	\$.40 day	4-50	n.a.	n.a.	n.a.	Additional average 30¢ a day wage increase for elimination of job differentials. Increase applies to operators of copper ore loading trains. Contract expires 8-1-51. (Int'l Bro. Firemen and Oilers, AFL)
<i>etal Manufactures</i> Borg Warner Corporation. Norge Division Herrin, Ill.	WE	\$.05 hr.	12-21-49	400 approx.	n.a.	n.a.	Also 6 paid holidays—New Year's, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas. Increased vacation benefits for employees of 3 years' or more seniority, from 2½% to 3% on gross wages. Cost of living adjustments eliminated from new agreement. Wage reopening 12-1-50. (UMW, Dist. 50)
E. F. Hauserman Company. Cleveland, O.	WE	\$.03 hr.	2-20-50	550	n.a.	n.a.	One additional holiday—July 4. Wage reopening 2-20-51. (United Furniture Workers, CIO)
Line Material Company. Barton, Wis.	WE	\$.05 hr. incentive worker \$.07 hr. day worker	12-29-49	40 approx.	n.a.	n.a.	Additional vacation days given to 10-, 15-, and 20-year employees. (UAW, AFL)
Littleford Bros. Inc. Cincinnati, O.	WE	\$.08 hr.	1-10-50	n.a.	n.a.	n.a.	Wage reopening 1-10-51. (UAW, AFL)
McCord Corporation. London, O.	WE	\$.075 hr.	11-21-49	252	\$1.38 male average \$1.19 female average	8-13-48	Two-year contract—one wage reopening after one year. (UMW, Dist. 50)
Newark Gear Cutting Machine Co. ... Newark, N. J.	WE	\$.10 hr.	11-23-49	50	n.a.	11-23-48	Wage reopening 11-23-51. (United Electrical, Radio and Machine Workers)
Pacific Airmotive Corporation. Burbank, Cal.	WE	\$.05 hr.	2-6-50	600	n.a.	n.a.	Result of wage reopening. Contract expires 2-1-56. (Int'l Ass'n Machinists, Ind.)
Permutit Company. Birmingham, N. J.	WE	\$.05 hr.	2-21-50	100	n.a.	n.a.	No wage reopening. Agreement expires 2-20-51. Additional holiday making total of 8. (UMW, Dist. 50)
<i>aper and Paper Products</i> Bemis Bro. Bag Company. Bemis, Tenn.	WE	\$.02 hr.	3-6-50	1,079	\$.71, \$.76, \$.87 hr. starting rates	3-29-48	Two weeks' vacation after 3 years instead of 5. Two paid holidays, Labor Day and Thanksgiving. Wage reopening 8-1-50. (Textile Workers, CIO)
Memphis, Tenn	WE	\$.03 hr.	3-18-50	211	\$.65, \$.70, \$.76 hr. starting rates	3-18-48	Two weeks' vacation after 3 years instead of 5. Wage reopening 3-18-51. (Textile Workers, CIO)
Vilson Jones Company. Elizabeth, N. J.; New York, N. Y.	WE	.75%	1-1-50	450	n.a.	n.a.	Retirement program. Wage reopening 12-31-50. (United Paper Workers, CIO)
Vortendyke Manufacturing Co. Richmond, Va.	S	.75%	1-1-50	30	n.a.	n.a.	
	WE	\$.05 hr.	2-27-50	350 approx.	n.a.	4-48	(United Paper Workers, CIO)
<i>tail and Wholesale Trade</i> Files Shoes, Inc. New York	S	\$2 wk.	2-1-50	120 approx.	\$44 wk. office \$52 wk. warehouse	2-1-49	Wage reopening, 2-1-51. Office minimum starting rate reduced from \$44 to \$42. (Wholesale and Warehouse Workers, Ind.)
Safeway Stores, Inc.	S	see remarks	n.a.	n.a.	see remarks	n.a.	Awarded 3-27-50. Involves \$60,000 in retroactive increases—individuals receiving from \$30 to \$170. Head meat cutters to receive increase of \$3 week; journeymen meat cutters, \$5 week; grocery clerks \$1 week. New rates: \$85, \$72.50, \$61 week respectively. (Retail, Wholesale and Dept. Store Workers, CIO)
<i>ubber and Allied Products</i> Thermoid Company. Provo, Utah	WE	\$.02 hr. incentive workers \$.03 hr. hourly see remarks	2-1-50	153	n.a.	11-15-48	Increase from \$3 daily hospitalization to \$6 daily for employees and dependents. Increase sick benefits from \$13 week for 13 weeks to \$27 for 26 weeks. Salaried workers also received these benefits. (Int'l Association of Machinists, Ind.)

A—WAGE INCREASE ANNOUNCEMENTS—MARCH 15 TO APRIL 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Rubber and Allied Products (Continued)</i>							
Wooster Rubber Company..... Wooster, O.	WE	\$.07 hr.	2-27-50	506	n.a.	8-1-48	Cost of accident, life, health and hospitalization insurance (3¢ hour) paid entirely by company. Wage reopening 8-1-51 only. Contract reopening 1-1-50. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
<i>Transportation</i>							
Fruehauf Trailer Co..... Kansas City, Kan.	WE	see remarks	10-21-49	n.a.	n.a.	n.a.	Rates—5¢ mile while deadheading or decked; 5.25¢ mile while pulling trailers; 6.25¢ mile traveled by double bottom units; 5.5¢ mile for pulling trailers containing material in excess of 4,000 lbs.; hourly wage rate \$1.47. (Int'l Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
Philadelphia Transportation Co. Philadelphia, Pa.	WE	\$.02 hr. transportation	2-11-50	6,664	n.a.	n.a.	Pension payments increased by \$10 per month. Minimum pension, including Social Security, \$190 monthly for employees retiring at age 65 with a minimum of 25 years' service. Wage reopening: hourly workers, 2-12-51; salaried employees, 12-2-50. (Transport Workers Union, CIO)
		\$.05 hr. maintenance	2-11-50	3,512	n.a.	n.a.	
	S	\$.02 hr.	12-2-49	748	n.a.	n.a.	Same benefits as wage earners. (Int'l Brotherhood of Teamsters, AFL)
<i>Miscellaneous</i>							
*Cleaners and Dyers Board of Trade.	WE	10% approx.	4-50	2,500	n.a.	n.a.	Pension fund established and paid by employer's contribution of 1% of pay roll. Minimum rate for unskilled workers raised from 65¢ to 75¢ hour. Those earning \$1 hour and less get 4¢ hour increase; 3¢ hour increase for those earning over \$1. Eight cents hour increase in minimum for craft workers; \$2 weekly raise for 60 drivers. (Int'l Assoc. of Cleaners and Dyers, House Workers, AFL; Amal. Clothing Workers Union, CIO)
Peerless Fibre Co..... Cohoes, N. Y.	WE	\$.05 hr.	4-1-50	100	\$1.085 hr.	7-12-48	(Textile Workers Union, CIO)
*Peerless Chrome Corp..... Chicago, Ill.	WE	\$.05 hr.	4-50	n.a.	n.a.	n.a.	Starting rate 90¢ hour with rising scale to \$1.00 hour; skilled, \$1.35 hour. Two weeks' vacation after 3 years' service. (Furniture and Woodworkers, AFL)
The Sacramento Bee..... Sacramento, Cal.	S	see remarks	1-12-50	70 approx.	\$97 wk.	1-12-49	Increase of \$3 week in top brackets, \$2 week lower. (American Newspaper Guild, CIO)
Stone and Webster Engineering Corp. New York, N. Y.	S	\$.125 male clerks	10-13-49	9	\$1.50 hr.	8-48	Time and one half after 8 hours per day on Saturdays. Contract expires 12-31-50. (Office Employees' Int'l Union, AFL)
		\$.125 sr. clerks	10-13-49	14	\$1.87 hr.	8-48	
		\$.05 female	10-13-49	2	\$1.25 hr.	8-48	

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Chemicals and Allied Products</i>				
Davison Chemical Corp.....	WE	3-2-50	n.a.	Two weeks' vacation after 3 instead of 5 years' service. One-year agreement (United Gas, Coke and Chemical Workers, CIO)
Perry, Ia.				
Dewy & Almy Chemicals Co.....	WE	2-50	90	Wage reopening once only. Group life insurance—\$500. Weekly accident and sickness benefit raised from \$18 to \$24 week. Hospital daily benefit raised from \$5 to \$7 day. Paid holidays increased from 6 to 9. (Textile Workers Union, CIO)
Adams, Mass.				
<i>Metal Manufacturers</i>				
Blaw-Knox Company.....	WE	2-15-50	280	Insurance package including health, accident, hospitalization and life—cost approx. 5.5¢ an hour. Six paid holidays; three weeks' vacation after 25 years' service. Net cost approx. 8.5¢ hour. Contract extended to 3-1-51. In addition, salaried employees granted contributory life insurance plan. (International Union of Electrical Workers, CIO)
Buffalo, N. Y.	S	2-15-50	160	
*The Budd Co.....	WE	n.a.	7,000	Announced 3-23-51. Minimum pension of \$100 a month, including Social Security, to those employees age 65 with 25 years' service. (UAW, CIO)
Philadelphia, Pa.			approx.	

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metal Manufactures (Continued)</i>				
Bucyrus-Erie Company..... Erie, Pa.	WE	<i>n.a.</i>	<i>n.a.</i>	Wage reopening 3-13-51. Monthly pension of \$100. Improved hospitalization. Contract extended for 2 years. One wage reopening and nothing else can be discussed. (United Steelworkers, CIO)
Clark Equipment Company..... Battle Creek, Mich.	WE	2-16-50	800	Equivalent of 5¢ hour insurance benefits. (UAW, AFL)
Ex-Cell-O Corporation..... Detroit, Mich.	S	2-16-50	320	Same insurance benefits as wage earners. (No union)
	WE	1-30-50	2,600	Noncontributory pension plan of \$100 a month for employees reaching age 65 with 30 years' service. Noncontributory sickness and accident insurance providing \$28 week for 13 weeks beginning with 8th day for either sickness or accident; \$1,000 accidental death and dismemberment policy. Six paid holidays. (UAW, CIO)
*Fairbanks, Morse & Co..... Chicago, Ill.	S	<i>n.a.</i>	8,000	Company-financed minimum guaranteed retirement income of \$100 month, including Social Security after 30 years of continuous service. Retirement above the minimum and for service less than 30 years to be computed on formula utilizing a percentage of wages earned and years worked.
Lufkin Foundry and Machine Co..... Lufkin, Texas	WE	2-14-50	<i>n.a.</i>	Time and a half for Saturday work, other than maintenance, even though employee did not work 40 hours previously. Some changes in job classifications. (AFL unions)
Muskegon Piston Ring Company..... Muskegon, Mich.	WE	4-1-50	500	Wage reopening on 60-day notice. Life, hospital, medical and surgical benefits paid for by company at cost of 4¢ hour. (UAW, AFL)
Stewart Warner Corporation..... Chicago, Ill.	WE	<i>n.a.</i>	2,800	Comprehensive group insurance plan paid for by company. Improved vacation benefits. Wage reopening 6-1-51. (Int'l Bro. Electrical Workers, AFL)
<i>Metals</i>				
Atlantic Steel Company..... Atlanta, Ga.	WE	3-1-50	<i>n.a.</i>	Group insurance for employee and dependents. Noncontributory pension plan minimum \$100 a month, to those employees 65 years or over with 25 years' continuous service. (United Steelworkers, CIO)
*Granite City Steel Co..... Granite City, Ill.	WE	4-50	2,600	Pension plan follows steel industry pattern. (United Steelworkers, CIO)
*Inland Steel Co..... Chicago, Ill.	WE	<i>n.a.</i>	<i>n.a.</i>	Announced 4-11-50. Choice of contributory or noncontributory pension plan. Noncontributory plan—benefits of \$100 month, including Social Security, at age 65 with 25 years' service. Contributory plan—employee's contribution based on average monthly earnings. Employer pays more than two thirds of cost. Minimum pension of \$100 but can receive more depending on monthly earnings. Employee can quit the contributory plan at any time, withdraw his contribution and be covered by noncontributory plan. Of workers involved, $\frac{3}{4}$ chose the contributory plan. (United Steelworkers, CIO)
*Mullins Manufacturing Corp..... Youngstown, O.	WE	<i>n.a.</i>	<i>n.a.</i>	Noncontributory pension plan follows steel industry pattern. (United Steelworkers, CIO)
<i>Petroleum and Petroleum Products</i>				
Globe Oil & Refining Co..... Lemont, Ill.	WE	2-24-50	372	Four weeks' vacation after 25 years' service. Includes brother and sister as members of the immediate family under the 3-day allowance in case of death in the family. In the case of industrial accidents, 3-day waiting period eliminated in accident and sick benefit plan. One extra paid holiday making total of 7. (Oil Workers' Int'l Union, CIO)
*Sinclair Oil Corp.....	WE	4-50	<i>n.a.</i>	Contributory pension plan of \$125 month, including Social Security benefits, at age 65 after 20 years' service.
<i>Public Utilities</i>				
Central Arizona Light and Power Company Phoenix, Ariz.	WE	<i>n.a.</i>	<i>n.a.</i>	Three-year agreement. May be reopened for wage negotiations by either party on 60 days' written notice prior to any anniversary date of agreement. Effective until 3-1-53. Wage rates for 56 employees adjusted for inequities. Two paid consecutive weeks' vacation for regular employees in continuous service for 1 year and 1 week for those working over 6 months. Vacation to be taken in next calendar year. (Int'l Bro. of Electrical Workers, AFL)
Consolidated Edison Co. of New York, Inc. New York, N. Y.	S & WE	see remarks	26,700	Improvement of wage progression program—increase after each 6 months' satisfactory service changed from 2.5¢ to 5¢ hour. Effective 1-1-50. Holiday policy improved. Correction of some wage inequities. Contract extended to 3-1-52 with wage reopening on 3-1-51. (Utility Workers Union, CIO)
Portland Gas and Coke Company..... Portland, Ore.	WE	1-1-50	625	Some wage adjustments for chemical workers. Increase in shift differential from 4¢ and 6¢ to 7¢ and 10¢. Minimum pension plan, including Social Security, approximately \$100 month at age 65 after 30 years' service. (Int'l Chemical Workers, AFL; Office Employees Int'l Union, AFL)
	S	1-1-50	225	
<i>Rubber and Rubber Products</i>				
*Firestone Tire & Rubber Co..... 8 plants	WE	<i>n.a.</i>	20,000 approx.	Pension of \$100 month, including Social Security, paid by company. Non-contributory life insurance plan also established. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
Gates Rubber Company..... Arizona	WE	3-22-50	12	Minimum scale for tire test truck drivers, semi or tractor trailer, \$1.20 hour first 30 days; \$1.275 hour after. Agreement may be reopened at any time upon 10 days' notice for wages only if regularly scheduled work week is reduced. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Rubber and Rubber Products (Continued)</i>				
U. S. Rubber Company.....	WE	*7-1-50	*33,000	Minimum of \$80 for employees retiring at age 65 with 20 years' service scaled up at rate of \$4 per year to \$100 minimum for employees at age 65 with 25 years' service. A \$60 minimum disability pension for employees with 20 years' service, regardless of age. Provision made for retirement after 20 years service at age 55 at the company's option, on an actuarially reduced pension. Life insurance of \$2,000 will be purchased by the company for all employees. Wages may be reopened on 60 days' notice after 7-1-50. (United Rubber, Cork, Linoleum and Plastic Workers, CIO)
<i>Textile and Textile Products</i>				
*Full-Fashioned Hosiery Manufacturers of Amer., Inc.	WE	4-8-50	9,500	Pension plan provides for employer contributions at rate of 4% of pay roll. Agreement affects approximately 21 companies. (Amer. Fed. of Hosiery Workers, Ind.)
*Master Weavers Institute..... Paterson, N. J.	WE	4-50	2,500 approx.	Additional paid holiday—Election Day—making total of 7. Hospitalization benefits for workers increased. Formerly \$5 day or total of \$150—now up to \$9 day or \$225. Benefits for dependents also increased. (Textile Workers Union, CIO)
Mohawk Carpet Mills, Inc..... Amsterdam, N. Y.	WE	n.a.	n.a.	Wage reopening after 6-3-51, on 60 days' notice. Tentative pension plan providing \$100 per month after 30 years' of service at age 65. (Textile Workers Union, CIO)
<i>Miscellaneous</i>				
American Airlines, Inc..... Interstate	WE	1-1-50	n.a.	Wage reopening 9-30-50. Three weeks' vacation after 12 years' service instead of 14. Afternoon shift differential increased from 5¢ to 7¢. Severance pay plan. (Transport Workers, CIO)
*Milk and Dairy Products Industry.... New York, Northern New Jersey, and Connecticut	WE	3-50	15,000	Welfare benefits. Group life insurance policy of \$2,500; sick leave benefits of \$40 week up to 26 weeks. Blue Cross hospitalization insurance for employee and family. Cost to employer: 6¢ hour per employee for pensions, 4¢ for social insurance. Companies involved: Borden, Sheffield, Dairylea and other major distributors, totaling 210. (Int'l Bro. Teamsters, AFL)
West Virginia Pulp and Paper Company. Covington, Va.; Luke, Md.; Williamsport, Pa.	WE	12-20-49	3,914	Wage reopening on 30 days' notice. Contributory group insurance program, including accident and health, group life, accidental death and dismemberment, hospitalization and surgical coverage for employees and dependents. Revised noncontributory pension plan, \$100 minimum, including Social Security, at age 65 with 25 years' service. (United Paperworkers, CIO)

C—No Change in Wage Structure

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
Bigelow-Sanford Carpet Company, Inc.. New York, N. Y.	WE	n.a.	n.a.	Present contract extended until 6-1-52. Wage reopening on 60 days' notice after 6-3-51. Pension plan still to be ratified. (Textile Workers, CIO)
Corsicana Cotton Mills..... Corsicana, Tex.	WE	n.a.	n.a.	Contract ends 2-51. (United Textile Workers, AFL)
International Salt Company..... Avery Island, La.	WE	n.a.	n.a.	Employees' welfare benefits in effect at the present time to remain in effect for duration of contract. (Int'l Chemical Workers, AFL)
Libby, McNeill & Libby..... Houston, Del.	WE	n.a.	n.a.	Wage reopening 8-50. (Meat Cutters and Butcher Workmen, AFL)
Sohio Petroleum Company..... Scottsville, Davies and Ohio County, Ky.	WE	3-31-50	34 approx.	(Int'l Bro. of Firemen and Oilers, AFL)
Whitney's..... San Diego, Calif.	WE	n.a.	175	Contract renewed for 1 year. (Int'l Assoc. Retail Clerks, AFL)

¹Type of worker: WE, wage earner; S, salaried employee.
*Obtained from press reports—information not verified.
n.a. Not available.

NATALIE E. FRIEDMAN
Statistical Division

Guests at Suggestion Committee Meetings

It is sometimes said that a company's suggestion system can fail through lack of supervisory support and understanding. To overcome this possibility, the Elgin National Watch Company invites members of its supervisory staff and engineering departments to attend suggestion committee meetings as guests to

observe the workings of the committee and the suggestion system. There are four guests at each meeting and it is planned in this way to have every jobmaster, foreman, supervisor, and engineer attend one session during the year. Management believes that this practice has eliminated misunderstandings.

Salaries and Shutdowns

(Continued from page 172)

"This plant having never been shut down, we must relate our remarks to policy covering periods of reduced operations. At such times, we have customarily laid off our less essential employees, rather than reducing the work week for all employees with proportional cuts in salary.

"Generally speaking, such layoffs have been effected for both nonsupervisory office workers and plant supervision, where deemed necessary."

FOUR-DAY WORK WEEK

"I will have to divide our salaried employees into two classes. They would be the exempt salaried employees and the nonexempt salaried employees. In the past year and a half, we have been confronted with two situations. In the first situation, we had a strike which closed the plant from an operational standpoint for three weeks. During that time, all salaried personnel, both those in the exempt and the nonexempt categories, were continued on full salary. Because of the shortness of the strike, it was not necessary for us to make any other adjustments.

"Later on, we were confronted with a curtailment in hours of work of our production schedules. This reduction was from forty hours to thirty-two hours per week. In this case, all salaried personnel on an exempt basis were carried on full salary. The day on which there was no production was devoted to problems in individual departments, training, etc. This plan of operation for this group would have been continued for an almost indefinite period and no adjustment had to be made as we returned to a forty-hour week within a period of three and one half to four months.

"In the case of the nonsupervisory office workers or those persons who are not exempt from overtime, we reduced the staff as far as possible. When this action could not be carried any further, we had to reduce the weekly remuneration to agree with the actual hours worked by the individual.

"During this curtailment, every effort was made to reduce labor expense in every classification. This applied from assistant foremen straight through the organization."

SPECIAL INTERIM WORK

"We have no fixed and publicized policy.

"Last year it was necessary for us to close the plant for three months. At this time, approximately 20% of our nonexempt salary pay roll was laid off. The balance of the nonexempt employees were kept on their regular jobs at their regular salaries, although in many cases there was nothing like the regular amount of work for them to do.

"All members of the exempt pay roll, including foremen, were kept on the pay roll at full salary during this period. The foremen reported to work every day and were able to keep constructively busy approximately one half of the time on various projects, such as methods analyses, bringing their records up to date, and planning to handle future operations. Most of the remaining time, during this three-month period, was utilized in the following ways:

our foremen and supervisors were given fairly extensive training courses in time study, motion study, and wage incentives as practiced in this organization; our cost and production control procedures were reviewed and an extensive review was made of the human relations problems faced by all foremen and supervisors. We feel that keeping these men on the pay roll at full salary during this period and utilizing their time as we did was one of the most constructive projects we have ever carried out. The balance of our exempt pay roll was able to keep normally busy at their regularly assigned jobs.

"No time limitation has ever been established on how long we would continue to keep such salaried employees at full salary. Undoubtedly, general economic conditions, our profit and cash position, the probable length of time that would be involved and many other factors would all play a part in making such a determination.

"We believe that it is better when one cannot continue to make such payments to reduce the staff by laying off less essential employees and to continue those left on the pay roll at their regular salary. Based on our past experiences, we feel that cutting the salary of employees—unless done on a more or less permanent basis due to general economic conditions—tends to make all employees disgruntled instead of having only a few dissatisfied people to cope with, namely those who are being laid off."

FOREMEN GET BASE PAY

"Since we have no formal policy for the payment of salaried employees when the plant is shut down, the procedure followed in the payment of salaried personnel during the recent strike is outlined:

"1. All salaried personnel (nonincentive) were paid their regular monthly salaries.

"2. Floor and shift foremen eligible for an earned incentive bonus were paid base salaries only. Floor and shift foremen not eligible for an earned incentive bonus were paid their regular monthly salaries.

"3. Office incentive workers, who worked under conditions where standards did not apply, were paid at the rate of the past average earnings for such time as worked and at the rate at which they are regularly paid for excused absences for such time not actually worked.

"4. Salaried employees who had vacations due them were urged to take their vacation during the period of the strike.

"5. The same treatment was extended to union office employees as to nonunion office employees, since no employee refused to accept a work assignment.

"6. The right to continue the payment of salaried personnel during the strike was authorized by management at the beginning of each semimonthly pay period.

"7. The program of payment to salaried personnel applied alike to nonsupervisory and supervisory office workers, the foremen, and to plant managers.

"Since we have not met the situation as suggested in your question regarding layoffs *vs.* general salary cuts, the only answer that can be made is how we believe such a situation would be handled. The first step would be proportional cuts in salaries for all employees below the management level, and if the strike were to continue indefi-

nately, probably proportional cuts in salaries for the lesser of the management group."

* * *

"Our strike is in its seventh week. Thus far we have continued to pay and keep our salaried employees at work, although as a result of the strike there has been a reduction of work for them. The situation is reviewed by us from time to time."

* * *

"With the exception of a few supervisory employees permanently laid off, the company has been able to carry the salaried employees at full pay. There has been no policy established as to how long we would carry these employees should our plant reduce its schedule at any time to a point where future operations would be questionable.

"Your question concerning our policy in dealing with nonsupervisory office workers has been no problem to us in the past in view of the fact that our nonsupervisory office workers are a part of the same bargaining unit as our factory workers. These people were simply laid off at such times as they were not needed."

* * *

"I will try to answer each of your questions as far as our past experience will permit.

"1. It will probably depend on the financial condition of the company and the seriousness of the cause of shutdown. If we are having a good year, a temporary shutdown does not seem nearly as important as when things are slowing down. For instance, the Chrysler strike caused us to lay off people in January, 1950. We did not lay off any supervisory or nonsupervisory salaried people because we felt that it was only a matter of time before the strike would be settled. In the meantime, we are very busy working for our other automobile customers who are probably benefiting indirectly from the Chrysler shutdown.

"2. Top management will have to decide on the basis of the existing circumstances at the time of the shutdown. We will probably lay off the less essential employees first and then reduce the work week, perhaps both at the same time if conditions warrant. In a jobbing shop like ours, we seldom get a shutdown from all our customers at one time. This makes for a spotty condition which needs special attention in practically every department. Efforts to control these conditions are made by top management through the budget department as well as through the instructions to the line and staff."

* * *

"The following policy applies in the case of a strike of reasonably short duration.

"Hourly rates and salaried employees in bargaining units represented by the striking union are paid for time worked only, in accordance with regular pay practices.

"All nonmanagement salaried employees not represented by the striking union are paid for time worked in accordance with regular pay practices, but whether they work or not they are paid their regular base salary so long as they stand ready and willing to work at management's direction.

"Whether they work or not, all management salaried employees are paid their regular base salaries so long as

they stand ready and willing to work at management direction.

"In the event the strike continues for a substantial period of time, it is necessary to reappraise the foregoing policy. Employees compensated during the strike emergency under this policy are informed of this fact."

* * *

"In the case of reduced schedules, it has always been our policy to attempt to keep the number of employees, whether salaried or hourly, in proportion to the volume of production required. The extent to which we accomplish this is governed by our judgment as to how long a period will be involved.

"If we anticipate it is going to be for a short duration we of course would keep key employees for a proportionately longer period of time, and, in some cases, perhaps we would not make any reduction at all, feeling that the advantage of keeping the employees would be greater than the loss we would incur in again having to build up the organization.

"If it appears we cannot determine the duration of the reduced schedules, we would go as far as we could in getting the number of employees down to a point that would enable us to maintain, as nearly as possible, the same profit margin that we had in the past.

"In the case of a complete shutdown, here again, if we anticipated that it would be for a short period of time, we would carry the salaried employees on the pay roll. In instances where it appears that the duration of the shutdown is going to be indeterminable, we would carry employees for periods as long as thirty days. Of course, we always maintain sufficient salaried employees to carry on the flow of work in our offices."

* * *

"Although no set procedure is established, the following presents a general picture of what we did during a strike.

"The company retains all salaried employees for at least one month. Then if it appears that the strike will continue for an indefinite period, the majority of employees with less than one year's service are gradually laid off.

"Upon termination of the strike, the employees are recalled as quickly as possible, if loss of business has not produced the need for such employees."

* * *

"We have never been required to shut down for more than a few days at a time because of fuel shortages, etc., and therefore do not have a too clearly defined policy.

"I would say that our policy would be both to lay off less essential salaried employees and to reduce our work week with proportional cuts in salary. To date, however, this policy has not been applied to foremen and other department heads."

SLUMP IN TEXTILE INDUSTRY

"As you no doubt know, the textile industry was hit hard last spring and summer, and we were faced with the very problem you describe.

"Naturally, there were many factors having a direct bearing on our particular situation and the manner in which

ve faced the issue. To answer your three questions specifically:

"1. Our decision to continue salaried employees at full pay was reviewed on a month-to-month basis. Had the curtailment of operations in the textile industry extended beyond the fall months, perhaps we would have eventually been forced to reduce salaried employees' work weeks and to have made proportional cuts in salaries. As it was, however, we made every effort to utilize the employees' time productively, increasing supervisory coverage, developing statistical information, expanding control procedures, etc., so that from early March through September we were able to avoid any layoff of salaried employees.

"2. If we had reached the stage where cuts were necessary, our first step probably would have been to reduce the work week with proportionate salary reductions, and then to lay off less essential employees.

"3. Our policy was applied uniformly to all salaried employees from the plant manager down.

"You will recognize, of course, that each situation will of necessity have to be considered separately. The next time a slump in the market occurs, conditions might be such that an entirely different approach would be warranted."

* * *

"This corporation for a number of years has had a general policy with respect to the treatment of supervisory and other nonhourly employees during such times as it may become necessary to suspend or limit work of hourly employees due to fuel shortages, strikes, lack of orders, or other causes.

"In general, this policy is left to the discretion of the local plant manager, subject to direction from the executive office, and limited by rather specific over-all statements of policy.

"The precise application of this over-all policy is determined, as you might expect, by the conditions which have brought about the temporary shutdown or shortened work week. It is also further conditioned by the length of service, quality of service, and related aspects of the employee who is involved.

"In answer to your specific questions:

"1. In general we try to continue such employees at full pay for as long a period as the occasion warrants. This means that the employee's length of service, his over-all ability, and the need which can be found for his continued services during such emergency periods are all weighed together in an attempt to arrive at a decision as to how long he shall be continued at full pay. In general, we have been reluctant to lay off a salaried employee whose record, period of service, and general usefulness have all been good, when, due to no fault of his own, we find ourselves temporarily without need of him. We have, therefore, consistently leaned over backwards in an effort to find something for him to do to keep him on the pay roll.

"2. When such a condition arises as described in your question, our procedure has been to lay off less essential salaried employees, rather than to reduce their work week, because very little if any work is available for them.

"3. In general the office workers would be laid off before

foremen; and foremen, in turn, would be laid off before laying off those of higher supervisory positions."

* * *

"Our own policy is not firm, as in the past we have treated each incident as it occurred.

"At one location where a strike lasted some six weeks we kept all of our salaried employees on a full-time salaried basis despite the fact that many of them were unable to work due to mass picketing. In the case of a plant which had an eight-week strike, we placed most of our salaried employees on a half-pay schedule. Some of the key people were not affected because they continued to work full time but the foremen and general clerical force were on a half-time basis. In both instances, we took the opportunity of eliminating a few positions which were of a temporary nature and which would have been eliminated regardless of the strike situation.

"Having a multiplant operation, it is difficult to state what our course of action would be if we suffered from lack of orders. I would judge that we would be more likely to shut down an entire plant and concentrate on the remaining orders at other locations. This would of course depend on the length of time that we anticipated a 'short-order' situation."

* * *

"In the last ten years, the only causes of plant shutdowns or short work weeks have been either strikes or fuel shortages. The longest duration of any of these shutdowns was six weeks. I can tell you what we did in those instances although I am not sure that this would be the policy in the event the stoppage continued for a longer period of time.

"We continued the salaried employees at full pay for the duration of the shutdown. The length of prior service, etc., was not taken into consideration. Our policy applied to all workers who were not members of a union engaged in a labor dispute."

HERBERT S. BRIGGS

Division of Personnel Administration

War Food Budgets

(Continued from page 181)

health, its imposition on the American public would have meant significant and distasteful changes. On a comparable basis, the American quota was 3,300 calories per person per day; the British was 3,010 calories, or 8.8% lower. The British regimen was also much lower in vitamin A, niacin, ascorbic acid (vitamin C), riboflavin and protein.

If we had been forced to adjust ourselves to the English level of supply, severe cuts would have been necessary in five of the eleven food groups, as follows: citrus fruits and tomatoes, 82.6%; other vegetables and fruits, 60.0%; dry beans, peas and nuts, 55.1%; eggs, 45.3%; and milk (solid content), 25.9%. On the

Estimated Recommended Nutrient Allowances in the United States and Available Per Capita Daily Supplies, 1944

Based on 1944 Civilian Population

	Food Energy Calories	Protein Grams	Calcium Milligrams	Iron Milligrams	Vitamin A International Units	Thiamine Milligrams	Riboflavin Milligrams	Niacin Milligrams	Ascorbic Acid Milligrams
Recommended nutrient allowances in United States									
National Research Council ¹	2,600	65	940	12	4,560	1.3	1.8	13	70
Bedrock diet ²	2,802	83	780	13	4,866	1.9	1.6	14	80
	(2,656) <i>a, c</i>								
Available nutrient supplies ³									
United States.....	3,480	99	1,060	18	9,290	2.3	2.5	21	140
	(3,300) <i>a</i>								
United Kingdom.....	3,010	87	1,040	16	3,790	2.0	2.1	16	110
					(4,700) <i>a</i>	(2.2) <i>a</i>			

¹Weighted recommended allowance calculated by the Bureau of Agricultural Economics and the Bureau of Human Nutrition and Home Economics based on recommended dietary allowances of the National Research Council, revised 1945. No weighted total figure is available for the later revision 1948 of dietary allowances, which recommends a slightly larger calcium allowance, a decrease in total caloric intake and a few other changes. "See Nutritive Value of the Per Capita Food Supply, 1909-45," Department of Agriculture, *Miscellaneous Publication No. 616*, January, 1947, p. 23; "Helping Families Plan Food Budgets," Department of Agriculture, *Miscellaneous Publication No. 662*, December, 1948, p. 11.

²From the text of the preliminary estimate of minimum civilian consumer require-

ments presented by the Office of Civilian Supply of the War Production Board *The New York Times*, February 21, 1943.

³The figures are national averages and should not be taken to represent the actual supply received by each individual consumer. No allowance has been made for losses of some nutrients due to storage, preparation, and cooking. See "Food Consumption Levels in the United States, Canada, and the United Kingdom," Third Report to the Combined Food Board, February, 1946, pp. 34, 35.

^aThe methods of estimating these nutrients in the United States and the United Kingdom are not entirely comparable. The figures in parenthesis indicate approximate values if calculated with the same nutrient factors as for the other country.

^cEstimated.

Civilian Food Supplies, 1944—Actual vs. Hypothetical Diets¹

	Milk (Milk Solids Equivalent)			Eggs (Fresh Egg Equivalent)			Leafy Green and Yellow Vegetables (Fresh Veg- etable Equivalent)			Potatoes		
	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level
Actual United States supply available civilian consumption.....	8,524	100.0	134.8	5,041	100.0	138.6	15,514	100.0	183.2	17,705	100.0	94.0
Hypothetical United States supply based on:												
Low-cost family food plan.....	9,038	106.0	142.9	4,094	81.2	112.6	14,684	94.6	173.4	19,650	111.0	104.0
Bedrock diet.....	6,325	74.2	100.0	3,636	72.1	100.0	8,466	54.6	100.0	18,809	106.2	100.0
United Kingdom level.....	6,319	74.1	99.9	2,756	54.7	75.8	11,047	71.2	130.5	35,385	199.9	188.0
Foods comparable to United Kingdom ²	6,810	79.9	107.7	5,041	100.0	138.6	11,361	73.2	134.2	15,310	86.5	81.0
	Meat, Poultry and Fish ³			Fats and Oils (Fat Content Equivalent)			Citrus Fruits and Tomatoes (Fresh Fruit Equivalent)			Sugar (Sugar Content Equivalent)		
	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level
Actual United States supply available civilian consumption.....	23,575	100.0	166.0	5,315	100.0	146.1	17,784	100.0	167.0	12,885	100.0	213.0
Hypothetical United States supply based on:												
Low-cost family food plan.....	12,529	53.1	88.2	2,969	55.0	81.6	17,582	98.9	165.1	4,367	33.9	72.0
Bedrock diet.....	14,198	60.2	100.0	3,638	68.4	100.0	10,647	59.9	100.0	6,036	46.8	100.0
United Kingdom level.....	16,701	70.8	117.6	4,757	89.5	130.8	3,092	17.4	29.0	9,601	74.5	155.0
Foods comparable to United Kingdom ²	23,575	100.0	166.0	5,315	100.0	146.1	14,224	80.0	133.6	12,885	100.0	213.0
	Other Vegetables and Fruit (Fresh Fruit and Vegetable Equivalent)			Grains			Dry Beans, Peas and Nuts					
	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level	Millions of Pounds	As Per Cent of United States Supply	As Per Cent of Bedrock Level
Actual United States supply available civilian consumption.....	31,995	100.0	145.4	25,705	100.0	72.7	2,094	100.0	83.5	.....	.....	.....
Hypothetical United States supply based on:												
Low-cost family food plan.....	12,826	40.1	58.3	21,019	81.8	59.4	1,751	83.6	69.8	.....	.....	.....
Bedrock diet.....	22,007	68.8	100.0	35,360	137.6	100.0	2,508	119.8	100.0	.....	.....	.....
United Kingdom level.....	12,790	40.0	58.1	31,485	122.5	89.0	941	44.9	37.5	.....	.....	.....
Foods comparable to United Kingdom ²	31,636	98.9	143.8	22,971	89.4	65.0	2,094	100.0	83.5	.....	.....	.....

¹The 1944 civilian noninstitutional population used in this study estimated at 125,380,000, is based on labor force and population reports. Census estimate for 1944 is 125,150,000. See Bureau of the Census, "Current Population Reports," *Labor Force Bulletin Series P50 No. 2*; and Bureau of the Census Population Release P5N4, April 28, 1945.

See also "Food Consumption Levels in the United States, Canada and the United Kingdom," Third Report, Combined Food Board, 1946, for per capita United States supplies available for civilian consumption, and per capita United Kingdom supplies available for civilian consumption.

Also "Helping Families Plan Food Budgets," Department of Agriculture, *Miscellaneous Publication No. 662*, December, 1948, for low-cost family food plan.

For bedrock allowances see preliminary estimates of minimum civilian consumer

requirements presented by the Office of Civilian Supply of the War Production Board *The New York Times*, February 21, 1943.

No data were available on the relative importance of individual food items in low-cost family food plan or the bedrock diet, therefore the relationship between a given item and its group in the actual available United States civilian supply was applied to the above mentioned budgets. This assumption was made for purposes of converting actual weights to common denominators. United States conversion factors were used. See text for further details.

²United States level of supply of only those items which were also available for civilian consumption in the United Kingdom.

³Common denominator is carcass weight of meat, edible weight of poultry, game and fish.

other hand, we would have eaten almost twice as many potatoes and nearly a quarter more grain foods.

The following table shows the cuts in food elements that would have been necessary if the English, Bedrock or Low-cost Food Plan had been imposed in place of our actual 1944 food supply.

	PER CENT DECLINES		From U. S. 1944 to Low-cost Food Plan
	From U. S. 1944 to English Level	From U. S. 1944 to Bedrock	
Food energy (calories).....	8.8	19.5	25.3
Protein.....	12.1	16.2	34.3
Calcium.....	1.9	26.4	11.3
Iron.....	11.1	27.8	33.3
Vitamin A.....	49.4	47.6	50.9
Thiamine.....	4.3	17.4	43.5
Riboflavin.....	16.0	36.0	28.0
Niacin.....	23.8	33.3	38.1
Ascorbic acid.....	21.4	42.9	50.0

Actual U. S. Supply, 1944, vs. Bedrock

Imposition of the Bedrock diet in 1944 would have meant a drop of 19.5% in calorie value, and there would have been sharp slashes in our allowances of vitamin A, ascorbic acid, riboflavin, niacin, iron and calcium. Milk would have been cut 25.8%. We would have eaten 46.8% less sugar, 39.8% less meat, poultry and fish, and 31.6% less fats and oils. But we would have eaten 37.6% more grain foods, 19.8% more dry beans and peas, and 6.2% more potatoes.

Actual U. S. Supply, 1944, vs. Low-Cost Food Plan

Adoption of the Low-cost Family Food Plan in 1944 would have meant a drop of 25.3% in our calorie, or energy, intake. Heavy cuts would have been necessary in all the nutrients, ranging from 11.3% in calcium to 50.9% in vitamin A. We would have eaten 66.1% less sugar, 46.9% less meat, poultry and fish, 44.1% less fats and oils, and 18.2% less grain foods. Our potato allowance would have been raised 11.0%, and that for milk, 6%.

WISTARIA NISHIMURA
Statistical Division

Vacation Pay

(Continued from page 178)

tion, which he took. On February 1 he was laid off. He received two days' accrued vacation pay (one day's vacation for each two months worked between September 1, 1949, the date on which he completed one full year of service, and February 1, 1950).

7—No Pay if Laid Off Before January 1
(An eastern machinery manufacturer and an independent union)

Vacation eligibility date: May 1.

Vacation season: May 1 to December 31.

Vacation allowance:

6 months' or more service.....	1 week's pay
1 year's to 25 years' service.....	2 weeks' pay
25 years' or more service.....	3 weeks' pay

Layoff and accrued vacation pay clause:

"Any employee who has been continuously employed since May 1 of any calendar year and who is laid off between January 1 and May 1 of the next succeeding year shall be entitled to a vacation equal to one half of the vacation the employee would have been entitled to receive had the employee continued in the employment of the corporation until May 1 next succeeding the date of layoff."

Example

Fred Jones was hired on September 1, 1948. On May 1, 1949, he became eligible for one week's vacation, which he took. On February 1, 1950, he was laid off. When laid off, he received one week's vacation pay (half of the two weeks' vacation he would have received had he remained on the pay roll until May 1, 1950).

8—Pay Only on January to May Layoffs

(A midwestern manufacturer and the United Steelworkers of America, CIO)

Vacation eligibility date: June 30.

Vacation season: June 30 to December 31.

Vacation allowance:

Those hired after January 1 of current year—no vacation.
Those hired after August 1 of previous year—5 days' pay.
Those hired before August 1 of previous year—10 days' pay.

Layoff and accrued vacation pay clause:

"Employees shall forfeit their rights to vacation pay if separated from the pay roll prior to June 30 of the vacation year provided, however, that employees who are laid off for lack of work and have more than six months of seniority at the time of their layoff shall be paid the following vacation allowances:

- "a. Employees laid off for lack of work in January or February shall receive one third of their normal vacation pay.
- "b. Employees laid off for lack of work in March or April shall receive two thirds of their normal vacation pay.
- "c. Employees laid off for lack of work in May or June shall receive their full vacation pay."

Example

Fred Jones was hired on September 1, 1948. On June 30, 1949, he was entitled to five days' vacation, which he took. On February 1, 1950, he was laid off. He received one third of the ten days' vacation pay he would have gotten on June 30, 1950, or three and one third days' pay.

9—Gets 5/6 of One Week's Pay

(A far western petroleum firm and the Oil Workers International Union, CIO)

Vacation eligibility date: Anniversary of employee's hiring date.

Vacation season: January 1 to December 31.

Vacation allowance:

1 year's to 15 years' service.....2 weeks' pay
15 years' to 25 years' service.....3 weeks' pay
25 years' or more service.....4 weeks' pay

Layoff and accrued vacation pay clause:

"An employee who resigns or who is terminated for any reason other than discharge for dishonesty will be entitled to a vacation allowance in accordance with the following:

"a. An employee terminated prior to receiving any regular vacation due him will be paid in lieu thereof.

"b. (1) In addition to the allowance in lieu of vacation under (a) above, an eligible employee who has completed one or more years of service will receive an allowance of one twelfth of his regular vacation pay for each completed calendar month of service for which no vacation or vacation allowance has already been given.

"(2) Work must have been performed on at least twelve days during any calendar month to be counted as a completed month of service.

"(3) Authorized absences on normal work days because of holidays, vacations, sickness, jury duty or accident disability will be counted as days of work for the purpose of determining the pro rata vacation allowance."

Example

Fred Jones was hired on September 1, 1948. On September 1, 1949, he was eligible for a two-week vacation which he took. On February 1, 1950, he was laid off. He received five twelfths of two weeks' vacation pay (or five sixths of one week's pay) at lay-off time.

10—Use Formula to Compute Pay

(A southeastern chemical firm and an independent union)

Vacation eligibility date: June 1.

Vacation season: June 1 to December 31.

Vacation allowance:

6 months' to 1 year's service..... 5 days' pay
1 year's to 15 years' service.....10 days' pay
15 years' or more service.....15 days' pay

Layoff and accrued vacation pay clause:

"Any employee who, by reason of nontemporary layoff because of lack of work, does not work the full vacation year shall receive pro rata vacation pay computed in accordance with the following formula:

$$\text{Pro rata pay} = \frac{n}{N} \times p$$

"When n is the number of full calendar months the employee worked during the vacation year (for this purpose only, a full calendar month worked is any month in which

the employee was not absent, regardless of reason, five working days); N is the number of full calendar months in the vacation year (i.e., twelve in the case of employees with one year or more of service as of the end of the vacation year); and p is the number of days vacation leave with pay, computed under the provisions of this article, to which the employee would have been entitled if he had worked the full N months."

Example

Fred Jones was hired on September 1, 1948. On June 1, 1949, he was eligible for five days of vacation which he took. On February 1, 1950, he was laid off. He received eight twelfths of ten days' vacation pay or 6.6 days of pay.

JOHN J. SPEED

Division of Personnel Administration

Personnel Briefs

A Saturday Morning for Charity

Under a Good Neighbor plan, employees of the Crouse-Hinds Company in Syracuse, New York, donate five hours' time one Saturday morning a year for charity. Their earnings for the last charity morning were distributed among the Community Chest, Red Cross, March of Dimes, Cancer Fund and Toy Fund. There are no other solicitations or campaigns for charitable funds in the plant during the ensuing year. The single gift takes care of all.

Flying Club Active

Members of the Flying Club of the Meredith Publishing Company in Des Moines, Iowa, logged more than 270 hours aloft last year. The twenty-two members averaged one hour of flying time per month. The club has a two-passenger plane and a four-passenger plane. The latter was purchased late last year primarily for cross-country flights.

A permanent mechanic is employed for maintenance of the two planes and an instructor is available for lessons at three dollars an hour. The club charges a fee of three dollars an hour for use of the plane.

Guidebook for Tenants

A guidebook has been issued for those who live in the Ensign-Bickford Company houses in Connecticut. Entitled "Living Together," the booklet explains the company's policies and procedures in detail—for example those relating to repairs, services and landscaping, and how the rents are figured.

The company's housing program is administered by the personnel department.

The Conference Board MANAGEMENT RECORD

JUNE, 1950

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In the Record

How Many Union Members?

What is happening to union membership in this country today? Is it up or is it down? And what about the CIO since the expulsion of the left-wing unions—how do its membership figures compare with older brother AFL?

These are big questions—with conflicting answers all too often confusing the picture even more. In a definitive article, "Union Membership in the United States," Jim Bambrick has waded in with some figures to filter fact from fiction.

It often isn't easy, of course, to get figures—particularly so in the case of the CIO where the battle rages daily between the expelled unions and the newly chartered CIO unions for rank and file allegiance.

And then, when you are trying to arrive at total union membership, there's this business of the guy who's fallen behind in his dues. If you ask him he'll tell you, "Sure I'm a union man," and most unions make allowance for this. But if our Joe is a member of the International Association of Machinists, it's another matter. There's a new central punch-card system that automatically drops members who are more than three months in arrears.

And that's just one of the complications that has been unravelled to give a picture of what is really happening to union membership today. Turn to the next page for a behind-the-scenes view of this subject.

• • •

Pensions—Whither and Whence

When management opened its front door one day, it found a pension problem on the doorstep. Slightly less bewildered now, it still faces the great responsibility of raising and guiding this fast-growing baby.

In a series of four articles this month, *The Management Record* presents some long-range problems concerning the future of pensions. "Prospects for New Pension Plans: 1950" discusses the probable impact on the security market of the money accumulated in pension trusts.

Another aspect of pension growth is pointed up in a provocative letter from the president of a large company in "Financiers vs. Actuaries." Is the decision to build a large cash reserve for the pension plan really one for the actuary? Or are the possible effects, in view of the uncertainties and changes ahead, of such magnitude that they call for a financier?

A more immediate headache brought on by pensions—

union bargaining—is successfully treated in the story of one company's negotiation of a uniform pension plan with fourteen locals. And the regular analysis of new pension plans tells what agreements are being signed and what they mean. The series of pension articles begins on page 217.

• • •

Is the Honeymoon Over?

Prices of things that the moderate-income family purchases have, on the whole, been relatively stable over the past year. There has even been a small decline over the period, while earnings have been chalking up new records. The question now is: How much longer can this favorable trend continue in the light of dramatic developments in the wholesale commodity markets? Steel scrap and the nonferrous metals, particularly, have been kicking over the traces. So far, the retail markets have not reacted and the consumer has not been noticeably affected. History would, however, suggest that the cost of living may reverse itself once more and start climbing.

The widely held belief that Canada somehow avoided the war and postwar bulge in prices of consumers' goods and services is exploded by the chart on page 237. It traces the movement of the indexes of consumers' prices for Canada, the United States and several other countries. Articles containing the details on the twin subjects of wages and consumers' prices here and abroad begin on pages 234 and 237.

• • •

The Productivity Problem

Given complete authority in a plant, what one thing would you do to increase productivity?

Eight specialists in varied industrial fields gave eight different answers to this question at a recent round table discussion (page 226). The dissimilar approaches to the problem were not based on personal disagreement, but rather on the participants' own fields of special interest.

Where quality control and standardization might be the prime concern of the engineering man, the health of the employees is the key for the medical supervisor. And yet this is not sufficient, says the union man, if you don't have the confidence of the workers.

The thoughtful reader will want to consider the several points of view before going ahead with his own solution to the problem of increasing productivity.

Union Membership in the United States

It's Between 14 and 16 Million with the
AFL Still the Largest; CIO Dips

MEMBERSHIP of unions with principal offices in the United States is estimated at between 14 million and 16 million. This range of about two million is largely the difference between CIO claimed membership and CIO membership computed from per capita payments. The totals include Canadian membership of international unions with headquarters in the United States—estimated by the Canadian Department of Labor as 675,044 for 1948. This leaves a United States union membership of from 13.3 million to 15.3 million. The sixteen largest unions account for 8,193,859 members, or more than half of the total union strength. Of the sixteen largest unions, six reported membership losses since 1948 and seven reported gains.

Union membership in the United States falls into four large groups: American Federation of Labor, 7.2 to 8 million; Congress of Industrial Organizations, 4 to 6 million; independent unions, 2 million; and the railway brotherhoods or "Big Four," 4 million.

AFL—ABOUT 8 MILLION

The official AFL membership figure as of August 31, 1949, is 7,241,290. This is based on the actual per capita tax received at the AFL office in Washington from affiliated national and international unions and from directly chartered trade and federal labor unions. The figure underestimates the total membership of the AFL unions because: (1) a number of AFL unions do not pay the per capita tax on their Canadian membership, and (2) there is a tendency on the part of many AFL unions not to pay the per capita tax on their full membership. For the year ending September 30, 1949, for example, the International Brotherhood of Teamsters, with a claimed membership of 973,800 members, paid per capita tax to the AFL for only 625,000 members; and the Brotherhood of Carpenters, with 710,034 members, paid tax on only 600,000. The International Brotherhood of Electrical Workers, AFL, claims 421,000 and paid on 330,000; the International Ladies' Garment Workers' Union claims 423,010 and paid on 400,000; the Hotel and Restaurant Workers claims 403,702 and paid on 381,000. On the other hand, the Musicians union paid on practically the same membership it claims—239,777.¹

AFL per capita payments seem to understate AFL

¹Union membership claims are based on letters from the unions to THE CONFERENCE BOARD. AFL per capita payments are from the report of the AFL Executive Council to AFL convention. (Report of Proceedings of the Sixty-eighth Convention of the American Federation of Labor, p. 87.)

total union membership by at least one million members. Indications are that total AFL membership is between 8 and 9 million. The United States Bureau of Labor Statistics, Division of Industrial Relations, added up the total membership reported to them by various AFL unions and arrived at a figure in excess of 8 million.¹

CIO—4 TO 6 MILLION

The CIO does not make a practice of keeping as precise a record of total membership as does the AFL. At its 1949 convention, held in Cleveland the week of October 31, 1949, the CIO claimed a membership of "over 6 million." This figure was also used by President Philip Murray on a number of occasions in his addresses to the delegates.

Exact CIO membership figures, however, have been subject to considerable speculation. The CIO financial statement, required under the Taft-Hartley Act, shows that per capita income from national unions and organizing committees in the CIO was \$3,540,815.40. This covers the one-year period of October 1, 1948, to September 30, 1949. During this period, the CIO per capita tax was 5 cents per member for October and November of 1948 and 8 cents per member for the ten months of December 1, 1948, to September 30, 1949. This makes a per capita tax of 90 cents a member for the fiscal year. When the per capita payment of \$3,540,815.40 is divided by the per capita tax of 90 cents a member, the result is a per capita CIO membership of 3,934,239 members.

This per capita figure also fails to give a true picture of total CIO membership. As is the case with the AFL, CIO per capita figures understate total union membership. Only a few CIO unions paid per capita tax on their full membership. The Textile Workers Union of America, CIO, which claims an average membership for 1949 of 357,600, paid the CIO office in Washington per capita payments on only 294,231 members.² Walter Reuther's United Automobile Workers, which claims an average dues-paying membership of 938,487 for the six-month period ending November 30, 1949, paid the national CIO

¹*Directory of Labor Unions in the United States*, Bulletin No. 980 United States Department of Labor, Bureau of Labor Statistics, Division of Industrial Relations.

²The Textile Workers Union, CIO, paid \$306,000 to the national CIO office for per capita taxes for the twelve-month period ending February 28, 1950. During this twelve-month period, CIO per capita taxes were \$1.04 a member. This gives a CIO per capita membership of 294,231. The TWUA also paid \$18,810 in per capita taxes to the Canadian Congress of Labor, which accounts for 13,279 members.

office per capita payments on 878,069 members.¹ The same is true to a greater or lesser extent of many other CIO unions.²

What's more, at least one large soon-to-be-expelled union did not pay its CIO per capita tax at all. During CIO convention sessions, President Philip Murray harped on the theme that one union with a large delegation at the convention owed the CIO a considerable sum for per capita taxes. CIO per capita membership figures do not reflect this sum, or any other like sums that might be owed the CIO by other unions.

UE vs. IUE-CIO Membership Claims

No CIO membership figures have been issued since the CIO convention was held in October, 1949. But events since then have greatly altered CIO membership.

Six unions have been expelled by the CIO. Membership figures given for the six unions vary widely. The largest of the group, the United Electrical, Radio and Machine Workers of America, in 1948 claimed contracts covering 570,000 members. But UE union officials assiduously refrained from giving exact membership figures. A CIO official said the union had a delegation at the 1949 CIO convention that would account for approximately 330,000 members. Evidently that statement was based on the per capita tax that the UE paid to the CIO.

When the CIO convention expelled the UE, it set up the International Union of Radio, Electrical and Machine Workers to take over the UE's jurisdiction and membership.³ This new CIO union, at its organizational convention in Philadelphia the week of November 28, claimed to have issued charters to local unions with a total membership of 211,325. It claims 277,011 as of March 1, 1950. The expelled UE claims over 300,000. Since the General Motors, Westinghouse and General Electric elections, the IUE-CIO claims it has taken over two thirds of UE's membership.

How Many in Expelled Unions?

Jurisdiction of the expelled Farm Equipment Workers Union was transferred by the CIO to Walter Reuther's UAW-CIO. But the executive board of the Farm Equipment Workers Union voted to merge with the expelled United Electrical Workers. Membership of this former CIO union is split between the UAW-CIO and the FE-UE. In twelve NLRB elections in the farm equipment industry, how-

¹The United Automobile Workers paid \$439,034.56 in per capita taxes to the national CIO for the six-month period ending November 30, 1949. The CIO per capita tax for this period amounts to 50 cents per member. This gives a per capita payment on 878,069 members.

²Philip Murray's Steelworkers, which claims 960,738 members, paid CIO per capita tax on an average of 731,907 members for July 1, 1949, to December 31, 1949.

³See "Impact of UE vs. IUE-CIO Fight," *The Management Record*, February, 1950, p. 42.

ever, the expelled FE-UE won bargaining rights for the former Farm Equipment Workers. The CIO claims that the UAW-CIO has 100,000 farm implement workers to 30,000 for the FE-UE.¹

There is also disagreement over the membership of the other four unions expelled from the CIO. The United Office and Professional Workers at one time claimed 45,000 members. The CIO says they had 12,000 members at the time of expulsion.² In 1947, the Food, Tobacco, Agricultural and Allied Workers claimed 46,700 members. The CIO gives a membership figure of 22,590 when the union was expelled, which the FTA's financial report indicates is about the membership on which they paid the CIO per capita tax. However, a tabulation of dues received at the national office of the FTA indicates an average membership of 33,421 for 1949.³

The Mine, Mill and Smelter Workers Union at one time claimed 108,625 members.⁴ But the UAW-CIO, in taking over the die-casting unit, already claims more than 20,000 former MMSWU members, and the Steelworkers claim to have taken over 20,000 members from the MMSWU. Philip Murray's union says that the MMSWU had only 44,000 members at the time of expulsion from the CIO.⁵ No membership figures are available for the United Public Workers, but the union is not believed to be large.

The CIO still has to decide upon the expulsion of Harry Bridges' International Longshoremen's and Warehousemen's Union with an estimated 62,149 members,⁶ as well as the National Union of Marine Cooks and Stewards, the American Communications Association, and the International Fishermen and Allied Workers of America. Ben Gold's International Fur and Leather Workers Union at its convention on May 25 voted to disaffiliate from the CIO. The United Furniture Workers union had its CIO trial put off until after its convention. The convention voted to stay in the CIO: 25,524 to 6,307 votes.

INDEPENDENTS—ABOUT 2 MILLION

No accurate membership figure for independent unions is available. In fact, no accurate figure on the number of independent unions in existence is

(Text continued on page 214)

¹*The CIO News*, November 7, 1949.

²*IUE-CIO News*, Feb. 20, 1950, p. 8.

³The FTA national office received \$300,793.06 in dues during 1949. At the rate of 75 cents per member per month, this gives an average membership of 33,421. (For portion of monthly dues going to CIO national unions, see "Financial Practices of CIO Unions," *The Management Record*, January, 1950, p. 21.)

⁴*Directory of Labor Unions in the United States*, Bulletin No. 937, United States Department of Labor, Bureau of Labor Statistics.

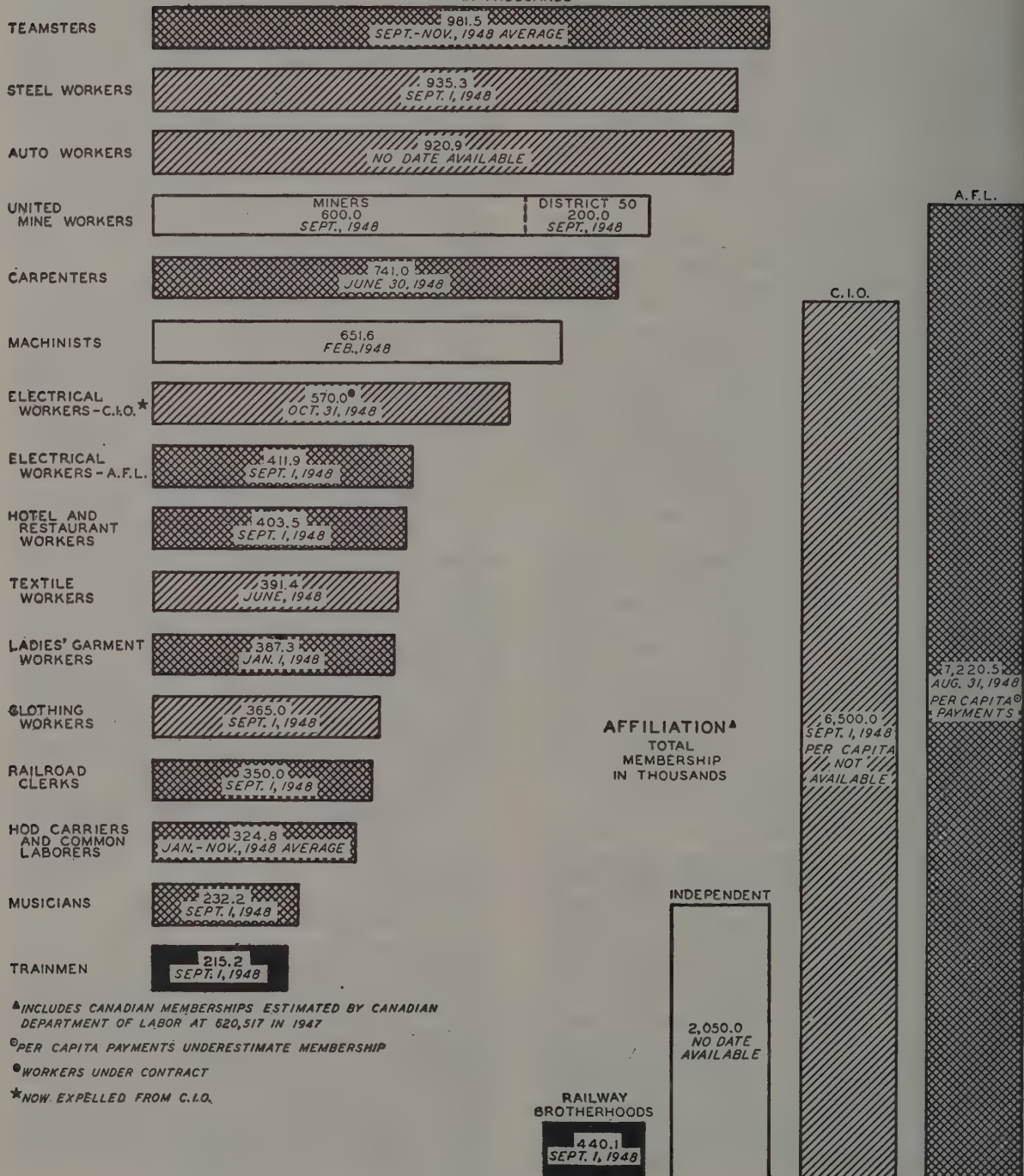
⁵*Steel Labor*, March, 1950, p. 8.

⁶The national office of Bridges' Longshoremen's Union received \$484,762.14 in per capita taxes during 1949. At a monthly per capita of 65 cents a member, this amount would account for 62,149 members. Bridges' union, however, paid the CIO per capita tax for an average of only 39,273 members for 1949.

Some Go Up; Some Go Down—But 1948

SIXTEEN LARGEST UNIONS^a

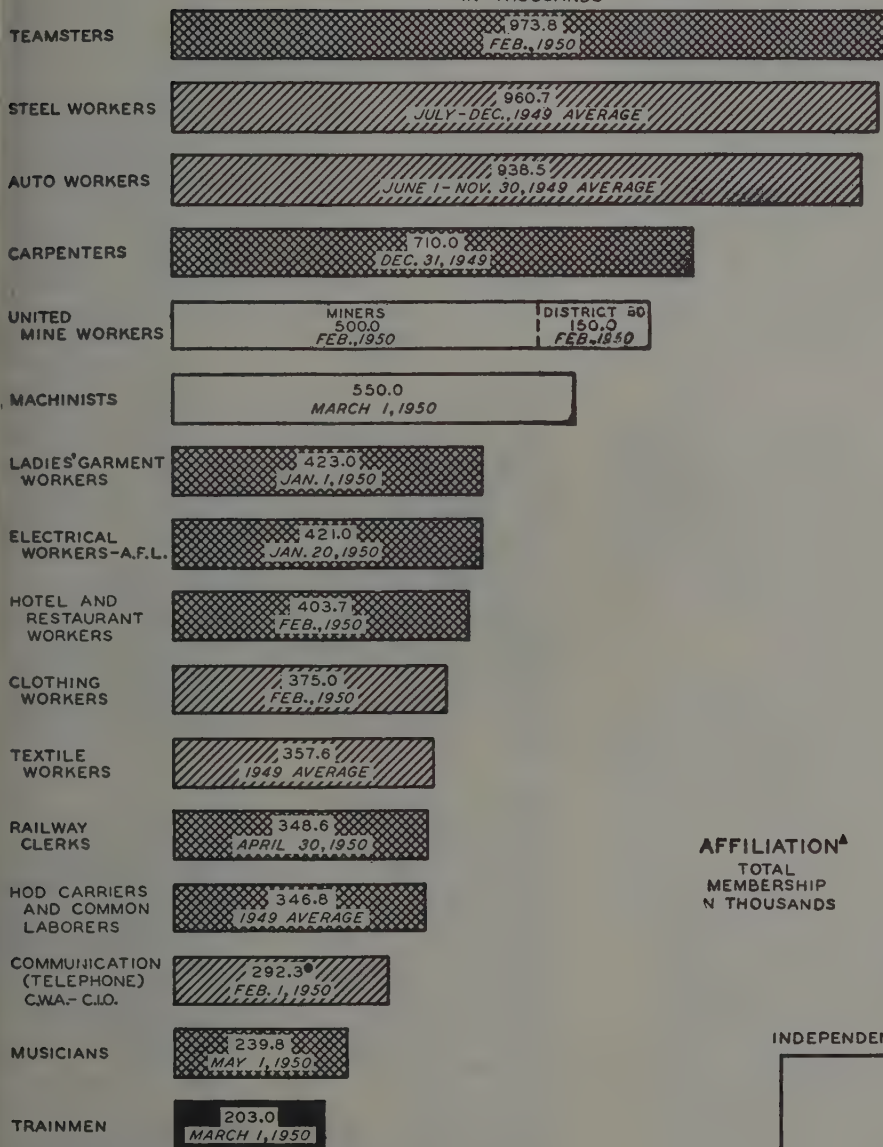
IN THOUSANDS



Union Membership Is Leveling Off

1949-1950

SIXTEEN LARGEST UNIONS[▲] IN THOUSANDS



AFFILIATION[▲]
TOTAL
MEMBERSHIP
IN THOUSANDS

INDEPENDENT

2,000.0
SEPT., 1949

RAILWAY
BROTHERHOODS

412.8
JAN-APR.
1950

C.I.O.

6,000.0
SEPT. 30,
1949

3,934.2

MEMBERSHIP INDICATED BY PER CAPITA PAYMENTS

A.F.L.

7,241.3
AUG. 31, 1949
PER CAPITA
PAYMENTS

▲ INCLUDES CANADIAN MEMBERSHIPS ESTIMATED BY CANADIAN DEPARTMENT OF LABOR AT 675,044 IN 1948

● PER CAPITA PAYMENTS UNDERESTIMATE MEMBERSHIP

● WORKERS UNDER CONTRACT

* C.I.O. FIGURES PREDATE EXPULSION OF SIX UNIONS

available. But conservative estimates place the total independent union membership at 2 million. This figure is broken down into three major groups.

The big blocks of independent union memberships lie in the United Mine Workers of America with 650,000 and the International Association of Machinists with 550,000.

While these two include the bulk of independent union membership, there are a number of other unaffiliated unions that account for a sizable segment. There are, for example, the Confederated Unions of America claiming 100,000 members, the National Federation of Federal Employees claiming over 90,000, the National Federation of Salaried Unions claiming 25,000, the Associated Unions of America claiming 8,000,¹ the Marine Firemen, Oilers and Water Tenders and Wipers Association claiming 7,000, the Mechanics Educational Society, and the National Brotherhood of Packinghouse Workers. These and other similar independent unions account for at least 300,000 members.

There are, in addition, a large but indeterminate number of independent unions that cover workers in only one plant or company.² In a Conference Board study covering 2,705 firms with union contracts, 452 firms said that they had contracts with independent unions.³ Other Conference Board studies also indicate a considerable number of independent unions.⁴ The total membership of independent, one-plant unions is conservatively estimated at half a million.

RAIL BROTHERHOODS ABOUT 400,000

Total membership of the "Big Four" railway brotherhoods declined 27,293 between 1948 and 1950. On September 1, 1948, the railway brotherhoods had a membership of 440,060, compared with 412,767 for the spring of 1950. The largest of the "Big Four," the Brotherhood of Railroad Trainmen, dropped from 215,243 as of September 1, 1948, to 203,045 for March 1, 1950. The Brotherhood of Locomotive Engineers remained comparatively stable with a membership of 80,251 for October 31, 1948, and 79,000 as of March 1, 1950. Membership of the Order of Railway Conductors of America declined from 36,261 as of September 1, 1948, to 33,833 paid members for January 1, 1950.

The demand for an extra fireman on diesel loco-

¹"White Collar Unionization," *Studies in Personnel Policy*, No. 101.

²The Bureau of Labor Statistics, Industrial Relations Division, does not cover these unions in the membership computations of its *Directory of Labor Unions*.

³"Personnel Activities in American Industry," *Studies in Personnel Policy*, No. 86, p. 18.

⁴"What Happened in 1949 Wage Negotiations," *Studies in Personnel Policy*, No. 105, covered 576 union contract negotiations. Of these, 97 were contracts with independent unions. And of the 97, 35 were with independent one-plant unions.

"Union Contracts Since the Taft-Hartley Act," *Studies in Personnel Policy*, No. 94, covered 313 contracts. Of these, 60 were with independent unions. And of the 60, 28 were with independent, one-plant unions.

motives was the crucial issue of a recent strike by the Brotherhood of Locomotive Firemen and Enginemen. This union suffered a membership drop of 11,416: from 108,305 members on September 1, 1948, to only 96,889 on April 30, 1950. The union's officials attribute their membership loss to the changeover by railroads from steam engines to diesel engines.

UNION MAN—DUES OR NOT

The total figures above are based upon claimed or per capita membership of the AFL, CIO, independent, and railroad brotherhood unions. But overshadowing all membership figures computed from dues payments is the fact that a man does not have to hold a paid-up union card to consider himself a union member. If a man several months in arrears on his union dues were stopped on the street and asked if he were a union member, he would reply "Yes." He would sincerely mean it, and would consider himself bound by the discipline of the union. Because of the tendency of many union men to let their dues slip for many months and even years, some unions permit such members to pay a small reinstatement fee and the current month's dues in order to again be in "good standing." Financial statements on per capita income do not fully reflect this large group of "in and out" union members.

CHANGES IN THE SIXTEEN LARGEST

The sixteen largest unions account for 8,193,859 members, or more than half of total union strength. Of the sixteen largest unions, six reported membership losses since 1948 and seven reported gains, according to figures supplied THE CONFERENCE BOARD by these unions.

Teamsters—Largest Union in U. S.

The largest union in the United States is still the International Brotherhood of Teamsters, AFL. As of February, 1950, this union reported 973,800 members—a drop of about 8,000 from its 981,487 average membership for September to November of 1948. This drop has little significance, however. Teamster membership figures fluctuate rather widely depending upon total dues receipts in any one month. During certain months, Teamster dues receipts go over the million-member mark.

Steelworkers Report Gain

With a membership of 960,738, Philip Murray's United Steelworkers of America ranks as the country's second largest union.¹ This is a gain of 25,448 members over their September, 1948, figure of 935,290.

Since signing the non-Communist affidavits required by the Taft-Hartley Act, the Steelworkers are again

¹The Officers' Report, however, states: "Our current dues-paying membership is 959,978, which includes 50,952 exonerated members."

in a position to push membership drives and expect further gains.¹

Auto Workers Membership Up—Then Down

Walter Reuther's United Automobile Workers, CIO, reported an average dues-paying membership of 938,487² for the six months' period ending November 30, 1949—a gain of 17,630 members over the union's 1948 membership of 920,857.

The UAW-CIO, however, has suffered a loss of 19,528 members from the 958,015 members it had for the six-month period ending May 31, 1949. The union ascribes the membership drop to growing unemployment in some of its plants and changeover programs in some of the major plants. Emil Mazey, secretary-treasurer of the union, says: "Our membership should remain relatively high for the first half of 1950, but will show a decided drop in the latter part of 1950, due to growing unemployment and other economic factors."

Lewis Gives Membership Figures

John L. Lewis, while appearing before a Congressional committee early in 1950 stated that:

On information and belief (there being no absolute or currently complete individual list of members), affiants aver that there are approximately 650,000 members of the union: approximately 75,000 members in the anthracite districts; 25,000 members in the Dominion of Canada; approximately 400,000 producing bituminous coal; and approximately 150,000 members of the union affiliated with District 50.

Two years ago the United Mine Workers claimed 800,000 members.

Machinists Revise Counting Method

The International Association of Machinists, independent, reported 550,000 members as of March 1, 1950. This is a drop of 100,000 members from the 651,623 recorded as of February, 1948. A good part of this drop is due to changes the union made in its book-keeping system. As the union's director of research explains: "Formerly our membership was constantly reported as a much higher figure because many of our local financial secretaries failed to drop those members who were more than three months in arrears with

¹See "Labor Press Highlights—Big Three Push Membership Drives," p. 228.

²In a letter to THE CONFERENCE BOARD, the UAW-CIO stated: "It should be borne in mind that this membership figure (938,487) reflects only dues-paying members. Members unemployed and members on strike are not required to pay dues, although they remain members in good standing. It is almost impossible, however, to estimate how many that would include over a six-month period." On the other hand, the membership figures of Philip Murray's Steelworkers include 50,952 "exonerated" members (United Steelworkers of America, CIO, Report of Officers to Fifth Constitutional Convention, May 9-13, 1950). On the basis of dues-paying members only, Walter Reuther's Automobile Workers may have a slightly higher membership than do the Steelworkers.

their dues." The union's new central punch-card system automatically drops members more than three months in arrears.

Diesels—Machinists Lose, Electricians Gain

Not all Machinist membership losses are due to more accurate recording. One factor in the drop is unemployment among machinists. The union lost some membership when the railroads, in switching from steam to diesel locomotives, laid off machinists because considerably less maintenance is required.

While the switch to diesels caused a drop in Machinist membership, it aided the International Brotherhood of Electrical Workers, AFL, whose members found maintenance jobs on diesel electric engines. The IBEW's present membership of 421,000 as of January 20, 1950, is a gain of 10,000 over the 411,907 members reported as of September 1, 1948. The AFL Electricians expect further membership increases because of the employment rise in the television industry.

Textile Workers Lose Members

The Textile Workers Union of America, CIO, reported an average paid-up membership for 1949 of 357,600. This compares with 391,385 members reported by the union as of June, 1948.

For the fiscal year March 1, 1949, to February 28, 1950, the union received \$3,617,488.88 in per capita taxes.¹ On the basis of a \$1 monthly per capita tax going to the international union, TWUA 1949-1950 membership was 301,457. On the basis of the previous year's financial statement showing per capita taxes received of \$3,982,722.49, the TWUA 1948-1949 per capita membership was 331,893.

Phone Union Reports Workers Under Contract

The new CIO telephone union, the Communication Workers of America, reports that workers under contract—not membership—number 292,326 as of February 1, 1950. The union explains:

"We have a policy of not making actual per capita membership available. This is not because we don't want people to know how many members pay dues to us but is just because we don't require a member to pay dues until we get a contract for his group. We have literally scores of these groups across the country. Membership figures are maintained locally, they fluctuate rapidly and we just don't know how many members there would be in the combined total."

Part-time Workers in Musicians

James C. Petrillo's American Federation of Musicians of the United States and Canada, AFL, reported a total membership of 239,777 as of May 1, 1950. This is a slight increase over the September 1,

¹Financial statement issued at TWUA-CIO Sixth Biennial Convention, Boston, Massachusetts, May 1-5, 1950.

1948, figure of 232,191. Musicians' union membership figures do not represent only full-time workers. Many card holders in this union have other full-time work and are only part-time musicians. And some of these also hold membership in other unions.

Other Changes Among the Sixteen Largest

The United Brotherhood of Carpenters and Joiners, AFL, reported membership of 710,034 as of December 31, 1949—a drop of 30,000 members from the 741,000 members reported as of June 30, 1948.

The International Ladies' Garment Workers, AFL, reported 423,010 members as of January 1, 1950, which represents a gain of 35,700 members over the 387,310 reported as of January 1, 1948.

Membership of the Hotel and Restaurant Employees Union, AFL, remained practically the same from 1948 to 1950. The union had 403,702 members as of February, 1950, and 403,461 as of September, 1948.

An increase of 10,000 members is claimed by the

Amalgamated Clothing Workers,¹ CIO: 375,000 as of February, 1950, compared with 365,000 members for September 1, 1948.

An increase of 22,000 members from 1948 to 1949 is claimed by the International Hod Carriers', Building and Common Laborers' Union, AFL. The union reported an average membership of 346,790 for 1949 as compared to a January-November, 1948, average of 324,765 members.

Practically no change in membership is recorded by the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, AFL. The union reported 348,500 members as of April 30, 1950, and 350,000 for December 1, 1948.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

¹The Amalgamated Clothing Workers' national office received \$2,881,976.80 in per capita payments for the year ending December 31, 1949. At the per capita rate of 85 cents a member per month, this accounts for 282,547 members. The ACW also received \$49,942.19 in initiation fees at \$1 a member.

Briefs on Personnel Practices

Plant Tours for Relatives

The Lockheed Aircraft Corporation in Burbank, California, has opened its plants for twice-a-week tours for out-of-town relatives and friends of employees. These will supplement the family days, on which members of employees' families inspect the plants and equipment.

The new schedule calls for a tour on Tuesday mornings and another on Thursday afternoons. Each lasts about an hour, and includes inspection of fabrication and assembly operations. Plant tour requests are available to employees through their department clerks. A section of this form serves both as an entrance ticket and a request for a date. The forms are filled in and sent to the public relations department, which assigns dates in the order in which requests are received.

All visitors taking the tours must be relatives or friends of employees, United States citizens, and eight years of age or older.

Joint Committee Decides on Contributions

A charity fund administered by a joint committee of representatives of the union and management is the new plan of the Ingalls-Shephard Division of Wyman-Gordon Company, in Harvey, Illinois.

Employees sign up for weekly contributions of fifteen cents, to be deducted from their pay checks.

If they desire, workers can designate on the authorization slips the charities to which they want their money to go. Otherwise, the charity board will decide how much will be given from the fund to each of the national campaigns, such as the March of Dimes, Cancer Drive, Red Cross, Heart Foundation and Community Chest.

The plan was suggested by the union, to eliminate the nuisance of many charity fund drives during the year.

Let's Look at Your Teeth

To discover the state of their dental health, two out of three employees in an Ohio plant of the Owens Illinois Glass Company cooperated with state health department officials in a series of voluntary dental examinations recently.

"Dental health—good" was the verdict. The examinations, which included over 500 X rays, turned up the following facts and comments:

One out of three persons had a tooth that needed extraction, and an average of more than one cavity per person needed repair—"below the normal average."

Missing teeth among male and female employees averaged just under twelve and ten per person, respectively—"close to the national average."

Every person examined had been to the dentist at one time—"a good record, indicating a definite interest in dental health."

More on Pensions

I. Analysis of New Pension Plans

THE most significant development in the field of pensions during the past month has been the successful conclusion of the pension agreements between the United Automobile Workers, CIO, and the General Motors Corporation and the Chrysler Corporation. In addition, several other large companies have either inaugurated pension plans or have revised their existing programs. The Baldwin Locomotive Works, for example, has negotiated a \$100-a-month pension plan with the United Steelworkers, CIO and has unilaterally proposed a somewhat different plan for salaried employees. The Nash-Kelvinator Corporation has negotiated a pension plan with the United Automobile Workers.

AREA-WIDE PENSIONS

Another development, which has not received as much attention as it deserves, is the drive of the United Automobile Workers, CIO, for area-wide pension plans. The first fruit of this drive is the agreement reached with seventy tool-and-die plants in Detroit, covering about 4,000 union members. This pension agreement was concluded with the Automotive Tool and Die Association.

The agreement provides for pensions financed by employer contributions of eight cents per man-hour worked. The plan will be administered by a joint board, and pensions of \$100 a month¹ will be provided for employees at age sixty-five who have twenty-five years' service.

Emil Mazey of the United Automobile Workers, CIO, reported on May 18 that about seventy small employers in and about Toledo had signed up under the Toledo area-wide pension plan.

Under both the Toledo and Detroit plans, employer contributions are pooled in a common fund, and workers of the participating employers may change jobs without forfeiting their pensions.

ANALYSIS OF PLANS

To bring information to Associates in readily understandable terms, THE CONFERENCE BOARD is presenting the third of its recent series of analyses, in tabular form, of fourteen selected new pension plans. The other two analyses appeared in *The Management Record* for December, 1949, and April, 1950.

A comparison of these new plans with those included in the earlier issues of *The Management Record*

¹Including Social Security benefits.

reveals that some of these new plans are more complicated and have certain characteristics which were not found in the so-called steel plans negotiated soon after the steel fact-finding board made its recommendations.

MINIMUM PENSIONS

A minimum pension of \$100 per month¹ for employees aged sixty-five and over who have been employed for twenty-five years remains a common feature of the new plans, as well as for the plans included in the earlier tabulations. The General Motors Corporation plan, however, provides for a basic pension which is independent of the Social Security benefit. This monthly basic pension is equivalent to \$1.50 multiplied by years of service, with a maximum of \$45 a month. If the Social Security benefit should be liberalized, the workers still will receive this basic pension as well as Social Security.

RETIREMENT AGE

These new pensions spell out, much more completely than did the steel plans, the conditions under which the worker may be retained after normal retirement age. Some of them permit the employees to work until age sixty-eight and to accumulate credits to that date. Employment after age sixty-five, however, is contingent upon the employee being able to perform his duties satisfactorily.

Unlike the earlier plans, most of these plans permit early retirement at age sixty, but at a reduced pension. In some cases, the pension for early retirement is reduced actuarially and in others, proportionately.

FINANCING PENSIONS

The trend to noncontributory pension plans continues, as only two of the fourteen companies require any contributions from employees. Most of the plans provide for a trust fund. One is insured under a deposit-administration arrangement while the plan of another company provides for the funding of pensions out of profits under a deferred profit-sharing plan. If amounts provided from this source are insufficient to provide the minimum pension, the company supplements these payments out of current income.

F. BEATRICE BROWER

ARAX SIMSARIAN

Division of Personnel Administration.

¹*Idem.*

Main Provisions of Recently Announced Pension Plans

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
The Baldwin Locomotive Works, and United Steelworkers, CIO Proposed plan effective 6-1-50, subject to approval of stockholders Pension agreement continues without change for five years, unless company reopens after two years	Employer pays entire cost Eligibility requirements: hourly employees within collective bargaining units, age 65, with 15 years' service	\$100 a month at age 65 with 25 years' service, proportionately less if 15 to 25 years' service. Deduct Social Security	\$50 a month with 15 years' service. When age 65 attained normal pension applies. Deduct workmen's compensation and any other benefits payable under federal or state law No vesting rights	Normal retirement at age 65. May work after age 65 or after 1-1-51 only with consent of company	Pension Board appointed by committee of a joint committee of equal representation from company and union for information purposes only Subject to arbitration	Company will determine method of funding
The Baldwin Locomotive Works. Proposed plan for salaried employees to be effective 6-1-50	Employer pays entire cost Eligibility requirements: salaried employees paid on a monthly or semi-monthly basis, age 65 with 15 years' service	1% of average monthly earnings during last 10 years times years of service. Payable at age 65 with 15 years' service. Minimum \$100 a month with 25 years' service, proportionately less if 15 to 25 years' service Deduct Social Security	Same as above	Same as above	Board of directors administers plan	Same as above
Chrysler Corporation and United Automobile Workers, CIO Date of agreement 5-4-50 Effective date of plan, first day of third calendar month after union ratifies plan and 15 days after Commissioner of Internal Revenue issues ruling Pension agreement remains effective for 5 years. Thereafter automatic renewal for 1-year periods until 60-day written notice is given	Employer pays entire cost Eligibility requirements: all employees in bargaining unit excluding retired employees	\$100 a month at age 65 with 25 years' service. Deduct Social Security as now in effect or as amended. Proportionately less to employees with 10 to 25 years' service Early retirement at age 60 after 25 years' service, reduced pension	\$50 a month at age 65 after 25 years' service. Deduct Social Security disability payments if enacted. Also deduct any disability payments that may be paid under life insurance policies or other company policies When employee reaches age 65, normal formula applies No vesting rights	Normal retirement at age 65. May accumulate service to age 68. Thereafter, may continue working only with consent of company Employees who reach age 68 prior to 1-1-52 may work until 1-1-52	Board of administration of 3 company members and 3 union members. Impartial chairman, selected by members, shall be considered a member of the board for matters on which he is to vote	Trust fund. Company has sole right to select trustees. Company contributions as determined by actuary. Past-service costs for 5-year period funded by level method over a period not exceeding 30 years. Company not required to pay more than is allowed as tax deduction by Commissioner of Internal Revenue
E. I. Du Pont de Nemours & Company, Inc. Unilateral plan amended on 5-1-50	Employer pays entire cost Eligibility requirements: All employees age 65 with 15 years' service	For employees eligible for Social Security: \$45 a month plus 1.1% of average monthly pay during last 10 years' service. Minimum \$4 for each year of service up to 25 years; maximum, \$2,500 a year. Deduct Social Security Employees not eligible for Social Security: 1.1% of average monthly earnings (bonus payments excluded) over last 10 years times years of service. Minimum, \$45 a month plus 2/3% of average monthly pay during last 10 years' service. Maximum, \$2,500. A rate of 1.5% will be used instead of 1.1% for service prior to 1-1-25	Disability pension payable after 15 years' service. Normal pension formula applies No vesting rights	Compulsory retirement at age 65. If approval from Board received may work beyond age 65. Service will not accumulate after age 65 unless it was rendered prior to 5-1-46. Early retirement at age 60 with 30 years' service	Executive committee appoints board to administer plan	Pension trust

Main Provisions of Recently Announced Pension Plans—Continued

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
Eljer Company and National Brotherhood of Operative Potters, AFL Effective date of plan 4-30-50 to 3-31-52. Company may continue pension agreement to 3-31-55. Subject to approval of Commissioner of Internal Revenue	Employer pays entire cost Eligibility requirements: Employees within bargaining unit at age 55 with 15 years' service	% of average monthly earnings during last 10 years times years of service. Minimum: \$100 a month at age 65 with 25 years' service. Proportionately less for 15 to 25 years' service. Deduct Social Security	Minimum \$50 a month after 15 years' service. Normal pension formula applies when employee reaches age 65 No vesting rights	Normal retirement at age 65	Pension board appointed by board of directors. Union committee of 3 members for information purposes only. Disagreements subject to arbitration	To be determined by company
Ex-Cell-O Corporation and United Automobile Workers, CIO Effective date 5-1-50 to 4-30-55. Subject to approval of Commissioner of Internal Revenue	Employer to pay 5 cents per man-hour worked Additional employer contributions if necessary to provide pensions specified Eligibility requirements: Employees in collective bargaining units and those who have retired since 11-1-49	\$100 a month at age 65 after 30 years' service. Deduct Social Security as in effect or as amended. Proportionately less to employees with less service. Early retirement at age 60 after 30 years' service including 10 years' service after effective date of plan, actuarially reduced pension	\$50 a month at age 55 after 30 years' service. Deduct any Social Security benefits receivable No vesting rights	Normal retirement at age 65. Automatic retirement at age 68. Not to accumulate service after age 65 Early retirement at age 60 after 30 years' service with consent of company Company may retire employees at age 65 if they are unable to perform work efficiently Employees age 70 on 11-1-49 automatically retire on 1-2-52, and those 65 to 69 retire on 1-2-53	Joint board of administration of 3 company members and 3 union members. Disagreements subject to arbitration	Company contributions actuarially determined. Company to select bank or trust company. Past-service liability shall be funded at company's discretion
General Motors Corporation and United Automobile Workers, CIO Date of agreement 5-29-50 Effective date of plan not later than 10-1-50 to 5-1-55 Subject to approval of Commissioner of Internal Revenue	Employer pays entire cost Eligibility requirements: All employees in the United States with 10 years' service	\$1.50 a month times years of service Maximum: \$45 a month. In addition to Social Security Minimum: \$100 a month at age 65 with 25 years' service. Proportionately less for 10 to 25 years' service. Deduct Social Security Early retirement with company's consent, \$3 a month times years of service; maximum \$90. Normal formula applies when employee reaches age 65 If retirement without company's consent, normal pension formula will be reduced 7.2% for each year under age 65	At age 50 with 15 years' service, \$3 a month times years of service; maximum \$90 Minimum: \$50 a month with 15 years' service. Deduct workmen's compensation. When employee reaches 65 normal formula applies No vesting rights	Normal retirement at age 65. Automatic retirement at age 68. Early retirement from age 60 to 65. Employees may not accumulate service beyond age 68.	Joint board of administration of 3 each from company and union. Disagreements regarding eligibility subject to arbitration. Corporation is responsible for general administration of provisions except as provided otherwise	Company contributions actuarially determined. Company shall determine method of funding. Past-service liability shall be amortized in not more than 30 years
The Sora Paper Company and United Paperworkers, CIO Date of agreement 11-1-49 Retirement policy effective from 11-1-49 to 11-1-50	Employer pays entire cost Eligibility requirements: Employees in bargaining unit, age 65 with 15 years' service	\$60 a month at age 65 with 15 years' service in addition to Social Security	None specified No vesting rights	Normal retirement age 65. Employees unable to perform work after age 65 may be retired at company's sole discretion. Company may retain employees after 65 until satisfactory replacements are found—subject to grievance procedure	Retirement committee of 3 members appointed by company president	Present policy is not funded, but company has right to fund plan at its discretion

*An employee with 5 to 10 years' service who reaches automatic retirement date shall receive \$15 a month; this provision applies only to employees hired prior to May 31, 1950.

Main Provisions of Recently Announced Pension Plans—Continued

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
Nash-Kelvinator Corporation and United Automobile Workers, CIO Effective date 7-1-50 to 6-31-55	Employer agrees to pay 7.4 cents per man-hour. \$,004 an hour used to cover administrative expenses. If contributions are in excess of maximum allowable for tax deductions, plan may be reopened. Eligibility requirements: Employees in bargaining unit employed on or after 7-1-50 or whose services were terminated after 3-1-50	\$100 a month at age 65 with 25 years' service. Deduct Social Security as now in effect or as amended. Proportionately less for 15 to 25 years' service. Early retirement at age 60 with 25 years' service, \$32.50 a month	\$50 a month at age 55 with 15 years' service. Deduct workmen's compensation and any other benefits payable under future federal acts. Vesting rights: If Social Security is amended special joint committee shall advise company and union as to the possibilities of providing vesting rights	Normal retirement at age 65 with 10 years' service. Early retirement with consent of company at age 60 with 25 years' service. Employees may work after age 65 with company's consent. Service accumulated until age 68. Employees who are unable to accumulate 10 years' service by age 68 may work until 10 years' service is accumulated, provided they are able to do available work. Employees new age 68 and eligible to retire may defer retirement for 12 months	Joint board of administration of 2 members each from union and company. An arbitrator appointed by mutual agreement. Local committees set up at local plants to pass on eligibility of applicants for pensions	Actuarially funded plan; selection of trustee is at company's discretion. Past service amortized over 20 years
Metal Products Company and International Association of Machinists, Ind. Effective date 3-1-50 to 3-1-55	Employer pays entire cost. Eligibility requirements: age 65 with 15 years' service. Employees who retire on or after 3-1-50 are eligible	Minimum \$100 a month at age 65 with 30 years' service. Proportionately less for 15 to 30 years' service. Deduct Social Security	\$50 a month at age 55 after 30 years' service, less any benefits now or hereafter payable under Social Security Vesting rights: not mentioned in memorandum of agreement	Normal retirement, age 65	Not mentioned in memorandum of agreement	Cost will be financed from deferred profit-sharing plan and supplemented if necessary from company's current income
Transcontinental and Western Air, Inc. Unilateral plan effective 6-1-50	Contributions: Flight personnel, 4% of first \$250 a month plus 8% of excess. Other personnel, 3% of first \$250 plus 6% of excess. Company intends (but does not guarantee) to contribute enough to provide incomes for current service. Eligibility requirements: Employees in service on 6-1-50 with one year's service between age 25 and 60 (nonflight male personnel to 65). Employees in service with 1 year's service but age 60 (or 65 for male non-flight personnel) will be eligible for past-service credits only	Past service: 2/3 of 1% of average monthly earnings for year ending 12-31-49 times years of past service excluding first year of service and service prior to age 25. Future service: 1% of first \$250 plus 2% of excess. Early retirement: with company's consent at age 50, actuarially reduced benefit	Vesting: At age 45 with 10 years' service, full vesting. Termination prior to age 45 and 10 years' service, employee receives his contributions with 2% interest	Normal retirement at age 60 (flight personnel); at age 65 (non-flight personnel). May work beyond retirement only with approval of the company on year-by-year basis. Employees who reach normal retirement date on 6-1-50 may receive approval for deferment for 3 years. Early retirement after age 50 with company's consent	Unilateral company plan	Group annuity. Deposit administration

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding plan
U. S. Metals Refining Company and CIO Date of agreement 10-27-49 to 10-31-52 Plan effective 2-1-50	Employee contributions, 2% of first \$3,000 and 4% of excess Eligibility requirements: not specified in agreement	Past service: $\frac{3}{4}$ of 1% of average earnings from 1945 to 1948, inclusive, times years' of service back to age 30 Future service: $\frac{3}{4}$ of 1% of earnings up to \$3,000 and $\frac{1}{2}$ % of earnings in excess. If Social Security is increased, amount of increase will be deducted from retirement benefit Minimum: \$100 at age 65 with 25 years' service. Deduct Social Security. Proportionately less for employees with less service	Minimum: \$50 a month at age 65 with 25 years' service. Deduct Social Security or any disability benefits that may become payable. Disability pension is in addition to workmen's compensation benefits No vesting rights	Normal retirement at age 65	Not specified in agreement	Nonfunded plan
Warner Company Unilateral plan effective 7-1-50	Employer pays entire cost Eligibility requirements: age 65 with 10 years' service, all employees excluding directors Employees covered by a collective bargaining agreement are eligible if the agreement so provides	1% of average earnings since 1-1-40 to age 68 times years of service. Deduct $\frac{1}{2}$ % of Social Security Minimum: \$720 a year if 25 years' service. Deduct Social Security. If Social Security is increased, \$900 a year minimum, including Social Security. Proportionately less for employees with 10 to 25 years' service. Workmen's compensation or unemployment compensation shall be deducted	Normal pension formula applies after 15 years' service. Deduct workmen's compensation or occupational disease benefits No vesting rights	Normal retirement at age 65 Employee may remain in service after age 68 or 7-1-52, whichever is later, only with consent of company. Employees may accumulate service credits until age 68	Committee of 5 members appointed by board of directors	Trust fund. If costs cannot be met during first 10 years of the plan, the 25 highest paid participants shall have their benefits adjusted. These conditions will not affect the income of those already retired
Wilson Jones Company and United Paperworkers, CIO Date of pension agreement 2-10-50 to 2-10-54 and thereafter unless either party requests change	Employer pays entire cost Eligibility: Employees in bargaining unit at age 65 with 10 years' service	Joint committee shall study pensions and submit details of plan to parties to supplement this agreement	No vesting rights	Normal retirement at age 65	Retirement board of 3 union members and 3 company members and impartial chairman chosen by mutual agreement. Retirement board may veto any action of trustee	Company shall pay \$50,000 each year to a trust fund in monthly installments. Payments of \$4,165 a month will start 2-50 if Commission of Internal Revenue approves plan
Wyandotte Chemicals Corporation Adopted as a result of negotiations with United Mine Workers, District 50 Effective date 1-1-50 Company may modify or terminate plan after 1-21-51	Employer pays entire cost Eligibility: hourly employees age 65 with 15 years' service who retire after 1-1-50 in Michigan plants. Those who retired prior to 1-1-50 shall be covered by pension plan adopted in 1920	At age 65, \$22.50 a month plus 1% of employee's average monthly earnings during last 10 years times years of service. Deduct Social Security Minimum: \$100 a month at age 65 with 25 years' service. Deduct Social Security. Proportionately less for 15 to 25 years' service Maximum: \$125 a month at age 65 with 25 years' or more service. Maximum shall be \$5 a month times years of service for employees with 15 to 25 years' service. Deduct Social Security	After 15 years' service employee will receive 1% average monthly earnings during last 10 years of service. Deduct payments made through workmen's compensation, Occupational Disease Law, Social Security or sickness and accident laws Maximum, \$125 a month including above benefits. When employee reaches age 65, normal formula will apply No vesting rights	Normal retirement at age 65. Compulsory retirement at age 70. No service credits accumulated after age 65 except for those who reach age 65 prior to 6-1-50. Such employees may accumulate service up to age 70	Not specified	Not specified

II. Negotiating One Plan with Fourteen Unions

REACHING agreement with one union on all the ins and outs of a pension plan is a tough bargaining problem. Multiply that by several unions—and the over-all problem of arriving at a uniform plan forces some managements to conclude: "It can't be done." So when a multiplant company with fourteen locals, some CIO, some AFL, and some independent, comes up with a uniform pension plan—signed, sealed and delivered without a day's work stoppage—it rates a second look.

The company involved operates four major plants. The fourteen unions it dealt with include locals of the CIO Steelworkers, AFL Molders, AFL Patternmakers, AFL Electricians, AFL Boilermakers, the Machinists (ind.) and an independent plant guards' union.

COMPANY TAKES INITIATIVE

The company started from scratch on the pension plan—it had no previous one to build on. As early as July of last year, the company acknowledged the trend toward pensions and began work on a plan. Pension consultants were called in to aid in building a plan which would stand up over many years and would fully satisfy the company's requirements. In taking the initiative in formulating this program, the company also took on the task of selling it to the unions as a sound program that would answer present trends.

There were parts of the plan that were certainly controversial. Unions prominent in the pension drive, for example, were calling for funded plans with joint union administration. The plan offered by the company was funded, but called for no joint administration. Some unions were asking for a definite cents-per-hour contribution to the pension fund. The company's plan calls for no fixed contribution whatsoever. At the time, unions were asking for a \$100 pension at age sixty-five—and no compulsory retirement. The company plan provides a minimum pension of \$100 but only permits an employee to continue working after he is eligible for a pension if the company consents. The complete package offered by the company included a uniform pension plan, disability and insurance benefits.

CONCURRENT BARGAINING SESSIONS

The management negotiated the plan with all the union locals at the same time. But negotiations with each local, except the Steelworkers, were independent of each other. They began on January 30 and were completed by April 13. Biggest bargaining hurdle was reaching an agreement with the Steelworker locals. Here, three locals represented 60% of the company's

employees covered by production and maintenance unions. The task was eased somewhat when Steelworker President Philip Murray appointed one man to coordinate negotiations for the three locals.

The negotiating committees, after checking the company's pension proposal, were satisfied with the pension formula. (1% of employee's average monthly earnings during his last ten years of service, times his years of service. His minimum pension is \$100 per month for twenty-five years' service; it is prorated if the employee has fifteen but less than twenty-five years of service. Social Security is deducted.) The unions, however, wanted joint administration.

NO JOINT ADMINISTRATION

"How can you have joint administration with so many different unions involved?" asked the company. If not joint administration on an over-all basis, countered the unions, why not a committee in each plant to share administration of the plan? The company's comeback stressed the fact that different interpretations of various parts of the plan would result from four different committees working on it. Continuous-service provisions for example, might be applied one way by one plant committee, another way by another plant committee. In effect, the virtues of a uniform plan, uniformly administered, would be completely lost. The unions saw the logic of the company's argument and went along on the proposition, dropping their demands for joint administration.

Instead, the unions and the company agreed to a provision in the plan that makes questions as to eligibility of the employees for a pension subject to grievance procedure. The particular clause states:

"The pension plan shall be administered by the company but from time to time during the term of this agreement the union shall be furnished with such information by the company as shall be reasonably required for the unions to determine that the pension payments to eligible employees are being made according to the provisions of this agreement.

* * *

"If any difference shall arise between the company and any employee who shall be an applicant for a pension or who is to be retired as to:

- (1) the number of years of continuous service in the employ of the company; or
- (2) the age of such employee; or
- (3) the average monthly compensation used for pension calculation under section 2;

such difference shall be presented in writing to the third step of the grievance procedure of the applicable labor

agreement. If agreement cannot be reached between the company and the union, there shall be no strike, slowdown, work stoppage or lockout, but the question shall be referred to an arbitrator selected by the company and the union whose decision shall be binding upon the parties. The arbitrator shall have authority only to decide the question pursuant to the provisions of this agreement applicable to the question but shall not have authority in any way to alter, add to, or subtract from any such provision. Each party shall bear one half of the fees, cost, and expenses of the arbitration."

The clause in the company's pension plan that permits retirement of employees after sixty-five at the company's option states:

"An eligible employee entitled to receive a pension may remain in the service of the company after attaining age sixty-five, with the consent of the company, and upon retirement at any time thereafter, shall be entitled to receive a pension."

PENSIONS *vs.* WAGE INCREASE

One big question raised in these negotiations concerned a wage increase as against the company's pension and welfare plan. Since many of the locals were AFL affiliates, their bargaining policy stressed wages as against pensions and insurance benefits. But the company very early took the stand that wage increases were not in the books for that year. Faced with that proposition, all the locals agreed to the pension and insurance package.

In all, the unions had relatively few changes to sug-

gest. In each case the company sold the package on its merits.

NEGOTIATING THE INSURANCE PACKAGE

Negotiations on the insurance provisions of the package didn't carry the same problems as the pension plan. A uniform plan covering all locals wasn't needed or even wanted. Instead, the company and unions set five cents per hour (employer and employee each pay half) as the cost of the insurance package.

How the five cents was to be allocated for benefits was left to future negotiations with the bargaining units at each plant. The flexible arrangement was advisable because the company recognized that certain arrangements could be made at one plant location that might not be available elsewhere. At one plant, for example, a hospitalization agreement with the local hospital was available at a cost far lower than could be secured in any other plant location.

Negotiations were completed by April 13—after two and one half months of bargaining with all fourteen unions. The insurance program does not go into effect until July 1. The pension and disability plan, on the other hand, became effective as of March 1.

BACKGROUND OF THE BARGAINING

What accounts for the comparative ease with which the uniform pension plan was adopted? The company chalks it up to three essentials: (1) sound management planning; (2) advance information to the employees of the company's decision to develop a pension plan and the necessity for having one plan for all unions; (3) a history of good labor relations.

"The unions through the last several years have learned that we bargain in good faith," says the company's industrial relations director. "They respect us and we respect them." As evidence of this, the company in its employee newspaper says: "While management took the initiative in developing the pension program, bringing these negotiations to a satisfactory conclusion was by no means a one-sided affair. The unions were extremely cooperative. Having been told early that the program was being studied and what a time-consuming job it was, the unions did their share. As an example, while the program was being developed, a number of the union contracts expired. The unions came through in fine style by extending their contracts, in some cases as many as four times, until this project could be completed."

Negotiations were conducted in frank and friendly tones. Basic to the smooth negotiations, according to the company, was the feeling by the union committees that the pension plan developed by the company was a good one.

JAMES J. BAMBRICK, Jr.

HAROLD STIEGLITZ

Division of Personnel Administration

BENEFITS UNDER THE UNIFORM PLAN

PENSIONS—Noncontributory and company administered. Employees in the bargaining unit with 15 years' service receive a pension at age sixty-five. Benefits equal 1% of employee's past ten years' average earnings times his years of service. Minimum pension is \$100 a month with twenty-five years' service; proportionately less from fifteen to twenty-five years. Social Security is deducted.

PERMANENT DISABILITY BENEFITS—Noncontributory and company administered. Benefit is \$50 a month for employee with fifteen years' service—payable until employee reaches age sixty-five. Workmen's compensation and any other federal or state benefits that may be payable to the employee are deducted.

INSURANCE BENEFITS—Contributory insurance program shall be adopted. Total costs shall not exceed 5 cents per man-hour, one half paid by employer and half by employee. Death, sickness and accident and hospitalization benefits are tentatively made available for employees subject to future agreements between the parties.

III. Prospects for New Pension Plans: 1950

MANY authorities have discussed the probable impact on the security market of the vast sums of money accumulated under newly established pension trusts. The estimates of the amounts available for investments from this source range all the way from \$1 billion to \$5 billion a year. It is, of course, impossible to state with accuracy just how big this problem is because of the lack of complete statistics. Data are lacking not only on the contributions to these funds, but even on the number of pension plans in existence and the workers covered. From scattered statistics, the United States Senate Subcommittee on Labor-Management Relations has estimated that there are probably 13,000 company pension plans in operation with a possible coverage of 6.5 million workers.

\$1.7 BILLION FOR PENSIONS

The Bankers Trust Company has recently published a pamphlet which gives its "informed guess" as to the magnitude of the investment problem.¹ Its purpose is to allay fears of those who see in recent developments the basis for a major transformation of the capital market. The bank estimates that contributions to trusted and insured funds in 1949 amounted to approximately \$1.2 billion, compared with \$1.1 billion in 1948. In 1950, according to its estimates, the annual amount will be \$1.7 billion, or an increase of \$500 million. This would represent contributions in behalf of possibly 5 million additional employees. The bank points out that if pay-as-you-go plans are adopted in any substantial number, even this estimate, which is well below the predictions of many authorities, would be too high.

In making the estimate of an annual increase of \$500 million in contributions, the bank has made certain assumptions, as follows:

1. The bulk of the plans will be negotiated between companies with over 250 workers and the larger industrial unions.
2. Few industry-wide, union-wide or "locality" plans will be adopted.
3. No major changes will be made in existing plans except to expand the coverage to hourly paid workers.
4. The general pattern of costs established in recent negotiations will prevail.

The bank also points out that the potential for additional industrial pension plans is not as extensive as some have believed. In all, there are 43 million persons in nonagricultural establishments, of

¹"The Impact of Industrial Pensions on the Capital Markets. A View of the Prospects for 1950 and 1951," Bankers Trust Company.

which substantial numbers of workers will probably not be covered by new private pension plans, as follows:

- All of 5.9 million in government
- All of 4.8 million in 850,000 service enterprises
- All of 2.2 million in 320,000 contract construction activities
- Most of 9.4 million in about 1.9 million retail and wholesale trade firms
- Most of 3.9 million in transportation and public utilities because of the extent of present coverage
- A large part of 1.8 million in finance because of present coverage
- A large part of 0.9 million in mining because of present coverage

Thus, there are 28.9 million who are already covered or are in establishments which by their nature cannot support a private pension plan. The bank estimates that probably not more than one million in this group of 29 million will be included in new or amended plans.

PROBABLE NEW COVERAGE

The deduction of 29 million from the nonagricultural working force leaves about 14 million employees in manufacturing. Many important industries, such as chemicals, petroleum refining, meat packing and tobacco, show a high proportion of employees already covered. Other industries, such as textile, lumber, publishing and machinery are not promising fields for expanded coverage because of the relatively small business units and lack of union interest in pensions.

In all, the bank believes not more than 4 million additional workers in the field of manufacturing are likely to be covered by pension plans. Of this number, slightly more than 3 million probably will be from the durable goods industries. The most important industries in this group are iron and steel, automobile and certain kinds of machinery. Probably less than one million would be added from the non-durable goods industries.

In conclusion, the bank stated that it had not discovered many large groups of employees who might logically be included among the near-term prospects for industrial pensions apart from those currently publicized in wage negotiations. Also, the bank concluded, the amounts made available for long-term investment by new pension plans during the next year or two will be within the capacity of the capital markets.

F. BEATRICE BROWER
Division of Personnel Administration

IV. Financiers vs. Actuaries

SOME managements are questioning the need for the complete funding of pension plans. In a world full of uncertainties, they wonder whether it is wise to impound in a fund moneys which may not be expended for many years, or perhaps never. What will the economy be like even thirty years from now when the past-service pensions, provided under some of the recently negotiated plans, are supposed to be fully paid for? What will be the effect of these huge sums on the psychology of the workers? On the stockholders?

The president of a large company has written a very thoughtful and provocative letter, which is condensed below. (The author and THE CONFERENCE BOARD would like to have comments either for or against the criticisms which he makes on current actuarial practices.) His comments are as follows:

There is one subject in the pension field which is of vast importance. It may be a few years before industry fully recognizes its importance. I refer to the whole problem of the method by which actuarial computations are made. So much emphasis has been put upon the benefit formulas by all who write on pensions and so little upon the problems facing management, which has to dig up the money. In all current literature there is frequent use of the expression "actuarially sound"—and the expression has almost no meaning. There are nearly a dozen actuarially sound formulas, each of which produces results vastly different from the others.

Actuaries constitute a rather strange fraternity. They do not exactly regard their knowledge as trade secrets but they vaguely assume that no one else can understand their mathematics and should take their computations on faith. This has resulted in a complete divorce of thinking between financial men and mathematical men.

Some actuaries recommend highly the "level-percentage reserves" or, as others designate it, the "entry-age normal cost." Unquestionably, this formula completely protects the actuary for it is more or less foolproof and a fund so computed will never get into difficulties. It does, however, produce a tremendous back liability and very quickly builds up an extremely large reserve fund. The reserve fund is, in fact, so large that money paid into it now will not be touched for thirty years.

I seriously question the logic of building such a large cash reserve for the pension plan, which is only one of the many company liabilities and is for an event so far in the future. When you consider how many social and financial changes have occurred during the last twenty years, you will be appalled at the possible variety and extent of the changes which may come in the next thirty.

An intangible which should be considered in connection with large reserves is the effect that they will have upon union thinking. It seems inevitable that unions will leap

to the conclusion that if all this money is lying around idle, benefits should be raised to absorb it. . . . One actuary, in his testimony before a government board, made the very interesting comment that past-service liability may be considered a liability in perpetuity and it may never be paid. An extension of this thinking could well apply to future annual costs which, under the above-mentioned formula, will greatly exceed pension payouts for many years.

To add to management's confusion is the fact that the Treasury Department is still further behind in its thinking than any one else in the country. Their rules are obsolete and have to be rewritten, with the consequence that we are also faced with the problem of trying to out-guess the Treasury's future decisions.

I hope for the stimulation of some real thought on the theory of financing pensions. It is overwhelmingly a financial problem and not an actuarial problem for, given a reasonable result, any good actuary will be able to construct a formula that produces the result.

F.B.B.

Management Book Shelf

The Growth and Development of Executives—A review of the methods used by twenty-five companies (not identified) to develop management personnel. Chief attention is given two approaches: job rotation and supervisory coaching. The author warns that there are no pat formulas for executive development, but rather that the process is a slow and gradual one. *By Myles L. Mace, Harvard Business School, Division of Research, Soldiers Field, Boston 63, Mass., 1950, 200 pp., \$3.25.*

Developing Men for Controllorship—This report, published concurrently with the one by Mace, focuses special attention upon company programs for the development of one type of management personnel. But the book is more generally useful than its title suggests, for the principles and suggestions it offers can easily be applied to a variety of executive positions. Successful features of the training programs of a number of companies are described. *By T. F. Bradshaw, Harvard Business School, Division of Research, Soldiers Field, Boston 63, Mass., 1950, 231 pp., \$3.25.*

Executive Training—Harvard Style—Some facts about Harvard University's three months' course in the Advanced Management Program and an evaluation of this type of executive training from the viewpoint of a participant. *By Arthur M. Whitehall, Jr., in Personnel Journal, May, 1950*

Management Behavior and Foreman Attitude—An analysis of the problems faced by a new general manager employed by a large company to get one of its plants on a paying basis. Special attention is directed to the values of effective communications, particularly upward, to enable management to learn what the employees and supervisors were thinking and trying to say about their jobs. *By D. N. Ulrich, D. R. Booz, and P. R. Lawrence, Graduate School of Business Administration, Harvard University, Cambridge, Mass., 1950, 56 pp., 75 cents.*

Productivity: How To Increase It

A summary of the conference on this subject at the 312th meeting of the National Industrial Conference Board at the Waldorf-Astoria Hotel, New York City, March 23, 1950. Merlyn S. Pitzele, Labor Editor of "Business Week," presided at this meeting

Panel Members	Field of Interest
Howard M. Dirks, Vice-President, Personnel Division, Carrier Corporation	Personnel Administration
Carl Huhndorff, Research Director, International Association of Machinists	Union Activities
J. A. Garvey, Director of Manufacturing, Dennison Manufacturing Company	Production Coordination
Harold Engstrom, Manager, Industrial Engineering, Sylvania Electric Products, Inc.	Industrial Engineering
E. I. Petersen, Vice-President for Manufacturing, Bigelow-Sanford Carpet Co., Inc.	Engineering Layout and Production Planning
L. J. Fletcher, Director, Training and Community Relations, Caterpillar Tractor Co.	Community Relations
William McGehee, Ph.D., Director, Personnel Research and Training, Fieldcrest Mills	Industrial Psychology
W. A. Sawyer, M. D., Medical Department, Eastman Kodak Company	Industrial Health

CHAIRMAN PITZELE: This is an unrehearsed performance, but folks who are particularly interested in this subject were invited by THE CONFERENCE BOARD to contribute questions for discussion here this afternoon.

Productivity has many facets and many aspects, some of which can be profitably explored. Others perhaps are beyond managerial decision or action.

I am going to start off by asking each member of the panel to identify for us the principal things in the whole plant relationship which affect and determine productivity.

MR. PETERSEN: Productivity is unit output per man-hour. It is not merely the worker's efficiency alone but all the factors put together which make productivity. I can best define those factors by naming, first, the use of power; second, the kind of equipment he has, how many automatic features he uses, the methods he employs, how much his work is simplified, and the design of the product; and, last, the

amount of standardization used in the product which he is making.

MR. ENGSTROM: I think the most important factors in productivity are the quality of the people engaged in the production of the particular item—are they well trained, interested, cooperative, happy on the job; the quality of the active management—is it an alert interested management, a management interested in getting progress for its working associates; and then, of course, the quality of the product and finally the public acceptance. Those are the primary things.

MR. DIRKS: It should be made clear that productivity in any organization involves all employees—management and technical as well as nonsupervisory. Too often we think of productivity as a term which applies only to factory workers where output can be measured easily. The productivity of top management and other specialized people, including the personnel staff, is even more important and must be maintained at a high level if the organization is to be successful and competitive.

To my way of thinking, the productivity of the operating organization is a direct reflection of the productivity or effectiveness of the management organization.

Interestingly enough, improved human relations in business and productivity are not only compatible but they complement each other in a very definite sense. The objectives of business and of the individual workers are pretty much the same, and our job from the human relations point of view, at least, is to bring those objectives close together as people look at them.

MR. GARVEY: I want to be sure we all understand that by "management" we include the sales organization, the merchandising organization, the advertising department, and so on. Unless we have realistic sales budgets that can be lived up to, we can have plenty of trouble with productivity. If we are changing our sales budgets radically two or three times a year and laying people off because the selling men don't do their part of the job, we are going to have definite losses in morale. Whatever the boys do in the personnel division, and the boys in method do on plant layout, etc., isn't going to keep produc-

tivity high if sales are not kept reasonably level or at least near the forecast.

DR. McGEHEE: I think the social climate of our industry, of your plant, is one of the most important factors for determining productivity; that is, the interrelationship between people, the permissiveness that is in the situation that allows a worker to make suggestions, to feel that he is part of the organization. I refer not only to the face-to-face relationships between individual workers and supervisors, but also to the informal organization on up the line that tends to create a feeling of belonging, of being a member of the team.

MR. FLETCHER: The opinion held in a community about a firm and its management is very important in productivity. If the community feels that the management of a firm is capable, if there is built up a high degree of confidence in its integrity, and if people feel that employee relationships are good, that definitely affects employee attitude and their sense of all-rightness and that does help productivity.

MR. HUHDORFF: From the labor point of view, we believe the most important contribution toward productivity is the workers' morale in the plant. I think that the foremost problem that affects workers' morale is wages. The workers have to have economic security in order to maintain a certain level in the community. Therefore, economic as well as job security is absolutely essential in providing plant morale. There is also another important problem connected with plant morale and that is the efficient handling of plant grievances.

DR. SAWYER: I am one of those firm believers, after almost thirty years in industry, that the pre-placement medical examination is a *must*, not only for the plant's efficiency and productivity, but for the workers' health as well.

If we are going to have the right attitude, if we are going to have morale and job satisfaction and job adjustment we must start out by estimating the quality of the man and the job specifications; *i.e.*, what kind of a man is needed for the particular job. I believe in job transfers and job adjustments and job adaptations to the end that we may have suitable and satisfied workers.

CHAIRMAN PITZELE: Let's move on to the question of quality control. What contributions do quality control and standardization make to productivity?

MR. ENGSTROM: Quality control has made a distinct contribution to management in that it has systematized the inspection procedures. It has lowered the cost of inspection in many cases, and it has provided a better product.

On the matter of standardization and productivity, one of the big phases of standardization is the fact that it is measuring management's own efficiency. And then from the standpoint of production control and scheduling, as we all know, standardization means a lot to managing a plant.

MR. PETERSEN: We have just been through a quality control campaign on the premise that better quality costs less; in other words, trying to prove to our own supervisors that if, in their own jobs, they made the materials they are working on a little better, the next department could handle them more efficiently, and so on down the line. In a process industry such as ours, the job you do depends on the kind of a thing you get from the fellow preceding you. Within this year we saved \$1,600,000 on this program. The number of rejects was not very much less, but the efficiency increased tremendously. If we view quality control from the standpoint of increasing our efficiencies and in the long run our productivity, we have made a good investment.

CHAIRMAN PITZELE: What about new equipment? When you get an idea for bringing in a new machine tool which in your opinion is going to increase your productivity and lower the cost of your output, what are the problems you face in introducing it to your workers, your work force?

DR. McGEHEE: Frankly, I think one of the reasons workers resist labor-saving devices is that they are imposed on them without any reason or explanation given in terms of the workers' needs and desires. Put yourself in the position of the average individual who is running a machine. He has been married to it for some twenty-five or thirty years and you start replacing it one morning without telling him anything about it. Well, you know what is going to happen. But it doesn't need to happen if you take time to explain and gain the worker's cooperation.

MR. HUHDORFF: I think management should call the shop committee in and discuss the changes. The shop committee is usually a small group, and you can have a very general discussion of the question and they can go out and condition the people for the change that is to take place.

I want to point out that before there were any real unions, not in this country, but at the beginning of the industrial revolution, the workers, on their own, without any organized effort, broke up machines. I think that the union organizations have contributed to the effect of trying to prevent the people from just running wild.

CHAIRMAN PITZELE: What about plant obsolescence? What has it to do with productivity?

(Continued on page 240)

Big Three Push Membership Drives

ONE out of every five union members belongs to either the AFL Teamsters, the CIO Steelworkers, or the CIO Automobile Workers.¹ These three largest unions in the country last month were shaping plans for even further growth.

AFL Teamsters' plans include another inventory of membership through an "over-the-road" check. As reported in the *Labor Leader* (San Diego, Cal.), last year's road check brought 38,000 new members into the Teamster fold. Dave Beck, Teamster executive vice-president, expects a larger influx to result from this year's inventory. Plans for the check, to take place late this month, were outlined by Mr. Beck at the Teamsters' organizing conference held in Chicago.

Not all Teamster organizing strategy was made quite so public. This is pointed out by Teamster President Daniel J. Tobin who, in the *International Teamster*, says: "One thing I appreciate about the conference and about other serious conferences that are held throughout the nation by our organization is that the spokesmen did not tell everything they were going to do to the public or to the press. The best strategy is employed by labor men when they quit talking about what they are going to do and what they are not going to do. If you give the enemy your plan of campaign then he too is prepared to work against you. . . . An organizing campaign cannot be won by telling the bosses, through the columns of the press, everything you have in your mind."

The CIO's Steelworkers, looking for new members, have made the union shop their next major goal. The resolution adopted by the Steelworkers' convention, as reported in *The CIO News*, calls the union shop essential in the elimination of the "small minority of free riders." Steelworker officers will seek to complete NLRB union shop authorization elections in preparation for coming contract negotiations.

The Steelworkers also look for an increase in their white collar membership. Announced at the convention was an agreement with United States Steel Company whereby 20,000 white collar workers will receive a reported \$10 million retroactive salary adjustment. (The adjustment completes the wage inequity and job classification program started in 1944 under a War Labor Board order.) According to *The CIO News*, Steelworker President Philip Murray predicts that the agreement will be the key to similar

contracts for 75,000 to 100,000 white collar workers in major steel companies.

For the CIO United Automobile Workers, the union shop has also become a major goal in new contract negotiations. (UAW gained a union shop at Ford, but not at Chrysler. The recent General Motors agreement gives the UAW a modified union shop.) The *United Automobile Worker* reports that two divisions of the Borg-Warner Company have voted for a union shop. According to reports in the paper, the demand for a union shop is also being pressed in negotiations with other smaller companies.

Further membership drives are contemplated by the UAW among aircraft, agricultural equipment and die-casting workers. In the agricultural equipment jurisdiction, the *United Automobile Worker* reports that the union will concentrate on bringing nonmembers who are presently working under UAW contracts into the union. And NLRB certification elections are being sought by UAW Vice-President Richard Gosser, director of the die-cast department, among die-casting units that are seceding from the expelled Mine, Mill and Smelter Workers. Petitions already filed with the NLRB, according to the *United Automobile Worker*, cover units in Bridgeport, Conn.; Sandusky, Ohio; and Los Angeles, Cal.

Teamster Chief Tobin Sees Taft Victory

"At this moment, it is my personal opinion that Taft will be reelected in Ohio to the United States Senate," says Teamster President Daniel J. Tobin in an editorial in the *International Teamster*. "Taft has made one of the most careful and strenuous campaigns that I have ever known a Senator to make in this country of ours. On the other hand, the opposition has no unity." Of the Congressional elections in general, Mr. Tobin says that labor will find the results disappointing because the working people won't vote this November.

UAW Weighs Pension Packages

A better pension insurance package was gained by the UAW from Chrysler than from either Ford or Nash, according to the *United Automobile Worker*. The UAW explains that 10 cents was secured in each case, but "at Ford, we spend 8.75 cents for pensions, and 1.25 cents for hospital and medical insurance. At Nash, we spend 7.4 cents for pensions, and 2.6 cents for insurance. At Chrysler we spend 7 cents for pensions, 3 cents for insurance." The smaller pension allocation at Chrysler will give a better

¹See "Union Membership in United States," p. 210.

sion plan than the other two, according to the union, because Chrysler workers are far younger than the Ford workers, and slightly younger than the Nash workers. And since more money will be spent on insurance at Chrysler, the union says the benefits are greater than those secured by Nash and Ford workers.

Baldanzi Keeps Textile Union Post

According to *Textile Labor* (Textile Workers Union of America, CIO) "the most turbulent, colorful and exciting convention in TWUA's history" ended in eloquent pleas for unity. Big issue of the convention was Executive Vice-president George Baldanzi, who was reelected to office—1,038 to 742. Union President Emil Rieve, who campaigned against Baldanzi's reelection, said he would do everything possible to work with Baldanzi.

Unions Upbraid Donnell Bill

"The Railway Labor Executives Association is up in arms against Donnell's legislative brainstorm," reports the *St. Louis Union Labor Advocate* (St. Louis, Mo.). According to the *Advocate*, the bill proposed by Senator Forrest C. Donnell (R. Mo.) "would outlaw all railroad strikes, impose compulsory arbitration of railroad disputes, and would wreck the highly successful National Railway Adjustment Act by permitting the courts to review board decisions." One rail labor leader is quoted as saying: "Actually, the measure is so appalling that I don't think fair-minded members of the Senate or House would for a moment consider it."

AFL to Talk Unity

The three-man committee appointed by the AFL executive council to confer with the CIO on labor unity¹ is composed of President Daniel W. Tobin of the Teamsters, Charles J. McGowan of the Boilermakers, and Daniel W. Tracy of the Electrical Workers. As reported in the *Flint Weekly Review* (UAW, CIO), AFL President William Green has put no strings on the AFL committee: "We want to leave negotiations wide open. Our committee will be prepared to give consideration to all proposals that are made."

CIO Starts New White Collar Union

Formation of the Insurance and Allied Workers Organizing Committee, headed by CIO Vice-President Allan S. Haywood, is reported by *The CIO News*. The new union, which supplants the expelled UOPWA in jurisdiction, has made its first goal the displacement of UOPWA as bargaining representative for the industrial insurance agents of the John Hancock Life Insurance Company.

CWA Seeks Ten-Dollar Voluntary Assessment

A voluntary assessment of ten dollars per member is being sought by the Communication Workers of America,

¹See "Labor Press Highlights—Labor Looks at Unity Move," *The Management Record*, May, 1950, p. 186.

CIO, reports *The Cincinnati Sun* (CIO, Ohio). The union claims that per capita dues alone aren't adequate to build an efficient, solvent union.

Lewis on Mechanization

John L. Lewis' views on technological changes and further mechanization of mines are summarized in the *United Mine Workers Journal* as follows: "The United Mine Workers of America have always encouraged mechanization of mines and always will. But mine workers do not believe God put an idea in the mind of an inventor for the sole profit of coal operators. We propose to bargain in the market for our share."

Dave Beck Heads University Board

Dave Beck, executive vice-president of the AFL Brotherhood of Teamsters, is the newly elected president of the University of Washington Board of Regents, according to a report in the *AFL Weekly News Service*.

Machinists Awarded for Service to Handicapped

The Machinist (International Association of Machinists, ind.), reports that the IAM has received an award for distinguished service in promoting greater employment opportunities for handicapped men and women. Vice Admiral Ross T. McIntire (USN, retired), chairman of the President's committee on employment of the handicapped, made the award. *The Machinist* also notes that the IAM was the only union among ten organizations so awarded.

Taft Is New CIO Council Affiliate

"Taft Affiliates with New CIO Union Council" says a headline in the *International Oil Worker* (OWIU-CIO). Not Senator Robert A. Taft, but the Taft, California, local of the Oil Workers Union is being discussed. The local, according to the report, has affiliated with the CIO California Industrial Union Council—a unit set up to supplant the council expelled by the CIO for communist-line activities.

HAROLD STIEGLITZ

Division of Personnel Administration

Funerals—Union Style

The Professional Pallbearers Association, passing up amalgamation with the AFL's gravediggers or the AFL's casket makers, voted 100% to join the AFL as a separate unit. Object of the Professional Pallbearers Association will be to make all funerals union funerals with relatives and friends permitted to act only as honorary pallbearers. Members must be six feet tall, weigh 180 pounds and fit into a size 40 suit. Union pallbearing rates vary with the dress. For sugar-scooped coat and diplomat-striped trousers, it's \$4; grey flannel is \$3.50; and in ordinary blues, \$3. (The Butcher Workman, Amalgamated Meat Cutters and Butcher Workmen, AFL)

Trends in Employee Benefit Plans

Severance Pay—Next Objective

At the annual meeting of the International Ladies' Garment Workers' Union (AFL), President David Dubinsky called upon the delegates to obtain severance pay provisions in their union agreements. Within the past year or two, many clothing manufacturers have gone out of business or reorganized, with the result that many older workers have lost their jobs.

ILGWU contracts are negotiated locally, and the union's chances of obtaining these benefits will vary greatly from city to city. Union officials feel that it is more important to get higher employer contributions for the union welfare fund in cities where these contributions are lower than average, rather than to press for severance pay.

Nearly all members in the ILGWU are now covered by some form of insurance (414,576 out of 423,000 workers) while 206,738 members are protected by some type of retirement provision. In 1949, employer contributions for health, welfare and retirement amounted to \$34.5 million, and disbursements of \$21.7 million were far below collections. It was emphasized that welfare benefits to members are paid for entirely by the employers, while the funds are almost entirely administered by the union.

Call for the Guaranteed Annual Wage

The American Federation of Hosiery Workers at its annual convention brought forth another objective. The delegates adopted a resolution calling for a thirty-hour week with the same pay as forty hours. It also pledged itself to fight for guaranteed annual wages as a national policy.

Walter Reuther, president of the CIO United Automobile Workers, also has announced that a guaranteed annual wage is next on the agenda for his union. On May 27 he stated that his union was planning its strategy for this protection before the 1951 round of contract negotiations started.

Clubhouse for Retired Employees

The plight of the retired employee, who has plenty of time on his hands but is at a loss to know what to do with it, has been the subject of many discussions. A few companies are doing something to help the pensioner use his leisure time to good advantage. One of these companies is the Textile Machine Works in Reading, Pennsylvania, which established a clubhouse for its retired employees.

The clubhouse, formerly the residence of one of

the company founders and the gift of his family, will be open daily from 10 A.M. to 5 P.M. A caretaker will be on duty at all times to aid the pensioners in obtaining full benefit from the recreation center. The house contains many possessions of the founder's family. Facilities for hobby work in metal, wood and other materials are located in the basement. A large television set, the gift of the Quarter Century Club, has been installed.

Keeping Employees Informed

An individual "bank statement" is being issued periodically by the Armstrong Cork Company to each employee who has completed five years' service. This gives the worker a clear picture of the full amount of protection he is receiving through the company's insurance program.

Employee response has been enthusiastic because the statement reduces to "dollars and cents" the amount of coverage he has in the insurance program and the amount which he has built up toward his pension. In addition, an estimate, based on current income, shows how much income he can expect at retirement. Each employee receives the two-page report after each five-year service anniversary. More than 8,000 employees, or 65% of the working force have received their statements.

Can We Afford Guaranteed Employment?

How feasible is it to provide employees with year-round wages? What are the obstacles to achieving this objective? What changes must the company inaugurate in its selling and production methods to make such a plan work? The Procter & Gamble Company has for over a quarter of a century successfully operated its Guarantee of Regular Employment Plan, and it passes on to other employers some observations on it in a booklet in question-and-answer form, entitled "More than a Quarter Century of Guaranteed Annual Employment." In the foreword, it is observed that: "Procter & Gamble has never suggested that its plan for guaranteeing regular employment could or should be adopted by all types of industries. However, we do know that some of the things we have learned by operating the plan for over a quarter of a century are of interest to many business executives."

Among the questions answered are: "How can the company make such a guarantee and be sure it can always carry out its promise?" "How has the plan affected labor stability?" "What were the principal

anges necessary to put the plan into effect?" "If it is successful, why doesn't every company adopt such plan?" "What, in your experience, is the first requisite in the development of stabilized employment?" The last question deals with the advantages of stabilized employment for the nation as a whole. The booklet ends with the observation that one of the most serious shortcomings of the economic system has been its extreme fluctuations. In view of these variations, steady work has quite understandably become a primary concern of the worker. It concludes:

"Obviously no one company by itself can bring about a stabilized national economy, but a number of companies, each of them working toward stabilized employment in its own sector of influence, will contribute—in an important way, with ever-widening circles of influence—to a stronger, healthier, more stable national economy."

Report on K-F Fund

In eleven months, approximately \$135,000 has been paid in disability payments to union members out of the Social Security Trust Fund negotiated between the Kaiser-Frazer Corporation and the United Automobile Workers (CIO). In addition, \$7,000 in disability benefits have been paid to foremen, nonunion and nonexempt employees from the same source.

Lincoln Electric Trust Disqualified

In 1941 the Lincoln Electric Company set up an irrevocable trust of \$1 million which was to be distributed by the end of ten years to individuals listed in the trust. These represented all the employees except the president, the treasurer, and salesmen. Only one company contribution was made to the trust.

In 1944, the Commissioner of Internal Revenue ruled that the trust was not exempt under 165(a) of the Internal Revenue Code, and accordingly assessed taxes. The Commissioner based his decisions on four factors:

- The plan was not a permanent program, because only one contribution was made to the trust and it was to be terminated at the end of ten years.
- Because the employer's contributions were not determined by a definite formula, this was not a definite plan.
- It was not for the exclusive benefit of employees and their dependents, because the employees did not have unrestricted right to select their own beneficiaries.
- It was possible to discriminate in favor of highly paid employees under the plan, because the administering committee had control over the time when each individual would receive his share.

The company disputed the Commissioner's interpretation. In a recent ruling, the Tax Court upheld

the Commissioner's definition of a profit-sharing plan as set forth in the Internal Revenue Code and its regulations. As observed by the court, the whole subject was a "difficult one and much must be left to interpretative Treasury regulations."

F. BEATRICE BROWER

Division of Personnel Administration

CHAIRMAN EMERITUS

Thomas G. Spates, Vice-President of Personnel Administration, General Foods Corporation, has been named as the first Chairman Emeritus of the Advisory Council on Personnel Administration by the National Industrial Conference Board. The post was created by the Board especially for Mr. Spates "for his more than a quarter of a century of enlightened leadership and counsel in the broad and vital area of human relations as a member of the Advisory Council."

Mr. Spates was recently appointed professor of personnel administration at Yale University by President Charles Seymour. He will assume his teaching duties in September, after fourteen years as an executive with General Foods. He is regarded as one of the outstanding authorities on human relations in business.

Mr. Spates has served continuously as a member of the Board's advisory body since its formation in 1924. Members of the original council included Cyrus S. Ching, Director, U. S. Conciliation Service; A. H. Young, then Manager, Industrial Relations, International Harvester Company (later Vice-President, United States Steel Corporation); the late C. J. Hicks, Executive Assistant to the President, Standard Oil Company (New Jersey); the late E. K. Hall, Vice-President, American Telephone and Telegraph Company, and J. M. Larkin, Assistant to the President, Bethlehem Steel Company.

Other Advisory Council members have included Howell Cheney, President, The Connecticut Economic Council, Inc.; M. B. Folsom, then Assistant Treasurer, now Treasurer, Eastman Kodak Company; F. W. Pierce, Executive Assistant to the President, now Director, Standard Oil Company (New Jersey); W. G. Marshall, Vice-President, Westinghouse Electric & Manufacturing Company; W. L. Batt, President, SKF Industries, Inc.; James B. Carey, Secretary, Congress of Industrial Organizations; F. C. Crawford, President, Thompson Products, Inc.; Clinton S. Golden, then Director, Northeastern Region, United Steelworkers of America, CIO.

THE CONFERENCE BOARD's Advisory Council on Personnel Administration serves as a consultative group which meets regularly with the Board's staff. It is made up of top personnel executives who, over the years, have made marked contributions to the field of industrial relations.

Trends in Labor Relations

Employer Must Give Union Wage Data

Continuing its policy of specifying the type of wage data the employer must furnish the union, the NLRB handed down two more significant rulings in May.

In the first ruling, a three-member panel of the board ruled unanimously that for collective bargaining purposes a union was entitled to information on wage rates of individual employees for the year before contract negotiations, but not for the preceding two years. The case involved the Yawman & Erbe Manufacturing Company and the Office Employees' International Union, AFL. The board ruled unanimously that the OEIU-AFL, which was bargaining for a 1949 contract, was entitled to have the names, positions and wage rates during 1948 for the employees in the bargaining unit it represented. A majority of the panel (two members) held that the union was not entitled to have this data for the years 1946 and 1947. The three-man panel was delegated full powers to act for the five-man board.

In ruling that the union was entitled to wage data for the previous year, the board said:

"We find, contrary to the respondent [employer], that the wage information sought for the year 1948 was clearly relevant to the 1949 wage negotiations. As noted above, the respondent rejected the union's wage demands and would only agree to the wages paid under the old contract. This posture of the negotiations brought directly into issue the wages being paid under the 1948 contract and a disclosure of such wages by the respondent was necessary to enable the union to bargain intelligently. Most certainly the going rate is a factor to be considered by a union in determining whether or not to press or eliminate its demand for a general wage increase. Likewise, current wages are directly related to the demand for a minimum. Without such information, there is no basis for determining to what extent, if any, the minimum wage would affect any employees in the unit. Further, the information requested for 1948 would enable the union to ascertain if any wage inequities existed among employees in the unit and to frame its contract demands so as to eliminate any possible discrepancies. In sum, the respondent's refusal to divulge information as to the current salaries of the employees in the unit placed the union in the position of dealing *in vacuo* on subjects relating to wages, as there existed no area known to the union in which it could vary its wage position. Under all the circumstances, we are satisfied that the request for the 1948 wage information was a reasonable demand relating generally and directly to the contract negotiations."

In the second case, the board ruled that an employer must furnish a union representing his employees with necessary wage data in a form that will not interfere with collective bargaining (B. F. Goodrich Com-

pany and United Rubber Workers, CIO). In this case the company supplied an alphabetical list of employees and a separate list of pay scales in various departments, but declined to match the two lists in such a way that the union could tell what individual employees were being paid. The company contended that the union itself should do this. The board held that the employer had failed to fulfill the duty imposed by law "to furnish this information in a manner not so burdensome or time consuming as to impede the process of bargaining." It ruled that the union needed this information to bargain effectively for the employees it represented and to determine whether or not the wage provisions of the current contract were being administered properly by the company. The board also ordered the company to supply information on merit raises.¹

Holland Plan Meets Wage Problem

Early this year, Holland's national plan to prevent strikes faced a critical problem.² Labor was making a strong bid for a 5% cost of living increase for workers in all industries, and a national strike looked imminent. Information on how this labor crisis was averted has been received from the Dutch employer association, the Central Social Employers Confederation (Central Sociaal Werkgevers-Verbond). Its director, A. J. Mauritz, informed THE CONFERENCE BOARD that the dispute ended in complete agreement between the management and labor representative on the Labor Foundation—the Dutch national labor management committee. He writes that "although the trade unions would have preferred a regulation compelling every employer to grant a wage increase of 5%, they finally agreed to an optional increase. The central confederation of employers recommended to grant the increase." Thus one crisis that threatened to disrupt Holland's labor peace formula was successfully overcome.

On the future of Holland's national plan to avert strikes, Mr. Mauritz writes:

"It is possible that in the next few years the management and labor representatives on the board of the foundation will gradually find it less easy to reach agreements, as the end of the Marshall-help period draws near."

"In a recent case, the NLRB ordered a company to supply the union with 'the names, classification, rate of pay, and merit rating score of each employee . . . and full information with respect to individual periodic merit wage increases or decreases, including the names of employees who received such increases or decreases, and the dates on which such increases or decreases went into effect.'"

"Holland's National Plan to Avert Strikes," *The Management Record*, March, 1950, p. 102.

nearer, and the conflict between economic possibilities and social desirabilities becomes sharper. Nevertheless, it repeatedly became obvious during the last years that, both from the side of management as well as from that of the trade unions, these weekly meetings will continue to be needed and will also prove to be necessary in future years."

Ban Solicitation on the "Selling Floor"

A department store may ban solicitation of union membership among its employees at any time "on the selling floor," the NLRB ruled unanimously in the case of Meier & Frank Company and the Retail Department and Variety Store Employees Union, AFL. The board ruled, however, that a department store may not ban union solicitation during the employees' nonworking hours off the selling floors. This would include lunch time, rest periods off the floor, and periods before and after work.

In handing down its decision, the board said a retail store can ban union solicitation on selling floors, even during nonworking time, because the discussions that normally follow such solicitation interfere with the handling of customers and tend to disrupt business.

The board, by a three-to-two majority, also ruled that the department store did not violate the Taft-Hartley Act by prohibiting union organizers, while on the selling floors, from making luncheon or other engagements with store employees for the purpose of discussing unionism.

However, the board held that the store violated the Taft-Hartley Act by other methods which, it said, tended to discourage unionization of its employees.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

"Receptionizing"

The first impressions visitors get of a company often account for their opinions of that organization. And the receptionist who greets them in the company's name may make this first impression a favorable one or an unfavorable one.

Phyllis Thixtum was a receptionist at the Caterpillar Tractor Company of Peoria, Illinois, for a number of years. Recently she moved to another state. Mindful of the exceptionally fine job she had done, the company asked her to write down some of her ideas on the duties of the receptionist. The result is an attractive little booklet of a dozen or so pages, called "Receptionizing." Single copies are available from the company.

Two More Attitude Surveys

To find out what is on the employee's mind, the Schenectady Works of the General Electric Company and the Philadelphia Electric Company recently conducted employee attitude surveys. Both surveys were of the interview variety.

General Electric's survey was part of a community survey. Interviews with employees were tabulated separately to find out what they really think of GE as an employer. "Seven out of ten GE employees rate the company better or the same as other companies as a place to work." Nearly eight out of ten say they would not leave GE for a job in another company at the same rate of pay. Adversely critical were the 22% who rated the company "poor in supplying new workers with adequate information about their jobs."

Philadelphia Electric Company's interviews covered a sampling of 528 employees. The company checked the degree of "representativeness" by comparing data about the interviewed employees with certain known and measurable information pertaining to all employees on the pay roll. For example, the company knows that 30% of its employees own stock in the company; 31% of the employees interviewed own company stock. Other similar comparisons were made of age and length-of-service statistics.

Philadelphia Electric Company's survey included several areas of investigation. The company found that employees want to know about the threat of government ownership and what the company is doing to meet the threat.

On the question of government regulation of business, employees have a "sound attitude," the company finds. According to the company, employees in general feel:

"1. The less government regulates business, the better for business.

"2. That business profits should be limited only by competition, and that competition is enough to keep prices fair without government control.

"3. That it would be bad for the government to put a top limit on salaries. This indicates that our employees favor the American tradition that incentive and effort are entitled to full rewards.

"4. That it is undesirable to make the Federal Government responsible for seeing that everyone has a job."

The survey also focused special attention on the employee publication. The company learned that employees want the publication to bring them more information about a great many things including company policies, company problems and finances, and employee benefit plans.

Earnings at Peak in April

THE general pickup in employment and earnings of production workers continued during the month of April. Both the hourly and weekly returns moved upward to new peak levels while the number of workers in manufacturing industries rose above any point recorded since October, 1949. There was no change in the work week, however, between March and April.

WORK WEEK STEADY

A weekly average of 39.7 hours has persisted each month from January through April in all-manufacturing, but completely divergent patterns have been reported for durable and nondurable goods. There has been a steady rise in the durable group since the beginning of the year, with a total gain of 48 minutes. In contrast, the nondurable goods aggregate dropped from 39.4 hours in January to 38.5 hours in April—or 54 minutes.

Primary metals and transportation equipment accounted for a good part of the gain in hard goods. Between March and April, they extended the work week from 38.9 to 40.4 and from 40.2 to 42.0, respectively. This was a result of overtime requirements—for the most part, in iron and steel plants

and in automobile factories. The nondurable goods group showed a decline of 0.7 hour, following contractions in all the industries except rubber and petroleum. An increasing demand for automobile tires and rubber industrial equipment, and for foam rubber in automobile seats, household furniture and mattresses is responsible for the current expansion of the rubber industry. The Federal Reserve Board index, for this industry, for example, rose from 195 in March to 205 in April. Over the year, the increase amounted to 16%.

Hourly earnings have risen each month since December, 1949, reaching a new high point in the Bureau of Labor Statistics' series with each increase. The latest average came to \$1.433, almost a cent more than in March and over three cents higher than a year ago. The month-to-month gains were scattered quite evenly among the hard and soft goods industries. The greatest gain (6 cents) went to rubber workers; tobacco and transportation personnel also made substantial gains—2.9 cents and 2.4 cents more an hour, respectively.

The general advance in weekly earnings was concentrated among the durable goods industries. A payroll jump for transportation equipment, primary

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, April, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	April, 1950 ^p	March, 1950	April, 1949	April, 1950 ^p	March, 1950	April, 1949	April, 1950 ^p	March, 1950	April, 1949
ALL MANUFACTURING	56.89	56.53	53.80	39.7	39.7	38.4	1.433	1.424	1.401
Durable goods.....	61.04	59.78	57.21	40.8	40.2	39.0	1.466	1.487	1.467
Electrical machinery.....	58.64	58.79	55.59	40.5	40.6	38.5	1.448	1.448	1.444
Fabricated metal products (exc. ord., mach. and trans. equip.)..	60.02	59.75	56.19	40.5	40.4	38.7	1.482	1.479	1.452
Furniture and fixtures.....	51.38	52.38	47.60	41.2	41.8	38.7	1.247	1.253	1.230
Instruments and related products.....	56.77	57.28	54.51	39.7	40.0	39.3	1.430	1.432	1.387
Lumber and wood products (except furniture).....	52.71	52.19	51.52	40.8	40.3	40.5	1.292	1.295	1.272
Machinery (except electrical).....	64.57	63.34	59.55	41.1	40.6	39.1	1.571	1.560	1.523
Ordnance and accessories.....	60.88	61.81	54.13	40.4	40.6	36.7	1.507	1.510	1.475
Primary metal industries.....	65.08	62.32	60.83	40.4	38.9	38.4	1.611	1.602	1.584
Stone, clay, and glass products.....	55.78	55.70	53.37	40.1	40.1	39.3	1.391	1.389	1.358
Transportation equipment.....	71.57	67.54	63.58	42.0	40.2	38.7	1.704	1.680	1.643
Nondurable goods.....	52.24	53.08	49.67	38.5	39.2	37.6	1.357	1.354	1.321
Apparel and other finished textile products.....	40.87	43.73	39.53	35.2	36.5	34.4	1.161	1.198	1.149
Chemicals and allied products.....	60.31	60.13	57.45	41.0	41.1	40.6	1.471	1.463	1.415
Food and kindred products.....	54.34	54.50	52.33	40.4	40.7	40.6	1.345	1.339	1.289
Leather and leather products.....	41.87	44.08	40.74	36.0	37.9	35.8	1.163	1.163	1.138
Paper and allied products.....	57.52	58.06	53.48	42.2	42.6	40.3	1.363	1.363	1.327
Printing, publishing, and allied industries.....	71.81	72.07	69.39	38.4	38.6	38.4	1.870	1.867	1.807
Products of petroleum and coal.....	78.57	71.66	71.26	40.6	39.7	40.1	1.812	1.805	1.777
Rubber products.....	64.75	60.17	55.50	40.7	39.3	36.9	1.591	1.531	1.504
Textile-mill products.....	45.63	47.39	42.20	37.9	39.2	35.7	1.204	1.209	1.182
Tobacco manufactures.....	38.27	39.31	35.15	34.7	36.6	34.7	1.103	1.074	1.013

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

^pPreliminary.

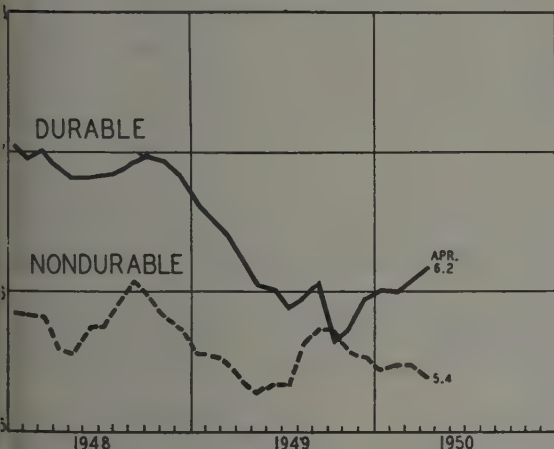
Table 2: Production-Worker Employment in Manufacturing Industries, April, 1950

Industry Group ¹	Employment (In Thousands)			
	April, 1950 ^p	March, 1950	Feb., 1950	April, 1949
ALL MANUFACTURING.....	11,556	11,549	11,457^r	11,616
Durable goods.....	6,177	6,070	5,979 ^r	6,262
Electrical machinery.....	594	579	572 ^r	560
Fabricated metal products (exc. ord., mach. and trans. equip.).....	723	710	699	706
Furniture and fixtures.....	303	301	297	268
Instruments and related products.....	173	172	171 ^r	181
Lumber and wood products (except furniture).....	680	676	651 ^r	659
Machinery (except electrical).....	1,000	980	959 ^r	1,066
Ordnance and accessories.....	18.4	17.9	17.4	22.5
Primary metal industries.....	1,004	981	977	1,028
Stone, clay, and glass products.....	416	410	408	416
Transportation equipment.....	900	881	872 ^r	1,012
Nondurable goods.....	5,379	5,479	5,478	5,354
Apparel and other finished textile products.....	995	1,058	1,065 ^r	1,008
Chemicals and allied products.....	489	486	484 ^r	495
Food and kindred products.....	1,056	1,060	1,056	1,071
Leather and leather products.....	339	357	357 ^r	348
Paper and allied products.....	390	389	386	377
Printing, publishing, and allied industries.....	497	497	495	495
Products of petroleum and coal.....	176	182	183	188
Rubber products.....	189	187	187	190
Textile-mill products.....	1,172	1,185	1,184 ^r	1,100
Tobacco manufactures.....	76	78	81	82

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^pRevised^rPreliminary

Number of Production Workers in Durable and Nondurable Goods Industries
In Thousands



Source: Bureau of Labor Statistics

metals and nonelectrical machinery manufacturers, reflecting overtime payments for extended working hours, was most important in raising the weekly average.

The petroleum and rubber industries also reported considerably higher weekly returns, but these were more than offset by numerous declines in the remaining nondurable goods classifications. Seasonal slowdowns curtailed overtime work and consequent

take-home pay in such industries as leather, apparel, and textiles.

With industrial production at its highest point in over a year, manufacturing employment climbed to 11,556,000 workers in April, an increase of 7,000 workers since March. The total remained substantially below the April, 1949, level, however, even though it was higher than at any other time during the past six months. Widespread separations, following spring recessions in the nondurable goods industries, retarded the over-all upward pattern. There was, nevertheless, a marked improvement in many of the heavy goods industries to compensate for production losses during the recent coal strike. Iron and steel mills, automobile factories and machinery plants all reported increased operations to overcome the backlog of new orders.

TURNOVER RATES

In line with this over-all expansion move, manufacturing industries reported layoff rates in April at the lowest level in a year and a half. The average dropped to 13 per 1,000 employees, from 14 this past March and 28 in April, 1949. Correspondingly, the number of accessions rose from 29 to 35 per 1,000 employees in the year period. The fact that quit rates increased somewhat between March and April in both durable and nondurable goods industries also reflects accelerated industrial activity and greater labor mobility.

ELIZABETH M. CASELLI
Statistical Division

Significant Labor Statistics

Item	Unit	1950				1949			Year Ago	Percentage Change	
		April	March	Feb.	Jan.	Dec.	Nov.	Oct.		Latest Month over Previous Month	Latest Month over Year Previous
Clerical salary rates¹											
Office boy (or girl).....	median in dollars	32	.....	.....	.....	.....	.....	33	.....	.....	.....
Receptionist.....	median in dollars	44.50	.....	.....	.....	.....	.....	45	.....	.....	.....
Telephone switchboard operator.....	median in dollars	47	.....	.....	.....	.....	.....	48	.....	.....	.....
File clerk.....	median in dollars	33	.....	.....	.....	.....	.....	36	.....	.....	.....
Junior copy typist.....	median in dollars	36	.....	.....	.....	.....	.....	36	.....	.....	.....
Senior copy typist.....	median in dollars	40	.....	.....	.....	.....	.....	43	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	34	.....	.....	.....	.....	.....	38	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	40	.....	.....	.....	.....	.....	45	.....	.....	.....
Stenographer.....	median in dollars	46	.....	.....	.....	.....	.....	46	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	38	.....	.....	.....	.....	.....	42	.....	.....	.....
Billing machine operator.....	median in dollars	43	.....	.....	.....	.....	.....	45	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	41	.....	.....	.....	.....	.....	46	.....	.....	.....
Key punch operator.....	median in dollars	40	.....	.....	.....	.....	.....	42	.....	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	200.9	201.0	199.3	200.9	200.9	204.0	204.0	208.7	0	-3.1
Housing.....	Jan. 1939=100	115.1	114.8	114.7	114.7	113.7	113.7	113.7	112.3	+0.3	+2.2
Clothing.....	Jan. 1939=100	142.6	142.6	142.8	143.2	143.6	143.8	144.0	148.7	0	-4.1
Men's.....	Jan. 1939=100	155.5	155.5	155.7	156.0	156.2	156.4	156.5	161.9	0	-4.1
Women's.....	Jan. 1939=100	131.6	131.7	131.8	132.3	132.8	133.1	133.3	137.7	-0.1	-4.4
Fuels.....	Jan. 1939=100	131.9	131.0	130.6	130.4	130.1	129.6	128.8	127.9	+0.7	+3.3
Electricity.....	Jan. 1939=100	92.6	92.7	92.6	92.6	92.6	92.6	92.3	91.0	-0.1	+1.1
Gas.....	Jan. 1939=100	101.6	101.6	101.6	101.6	102.0	102.0	101.9	101.3	0	+0.8
Housefurnishings.....	Jan. 1939=100	148.2	147.9	147.9	147.6	147.5	147.2	147.4	153.1	+0.2	-8.1
Sundries.....	Jan. 1939=100	154.8	154.9	154.8	154.9	154.4	154.5	154.5	151.9	-0.1	+1.3
All items.....	Jan. 1939=100	159.6	159.6	158.9	159.5	159.2	160.2	160.2	161.4	0	-1.1
Purchasing value of dollar.....	Jan. 1939 dollars	62.7	62.7	62.9	62.7	62.8	62.4	62.4	62.0	0	+1.1
All items (BLS).....	1935-1939=100	.....	167.0	166.5	166.9	167.5	168.6	168.5	169.5	+0.3	-1.1
Strikes (BLS)											
Beginning in period.....	number	.....	p 260	p 210	225	150	200	250	289	+23.8	-10.1
Workers involved.....	thousands	.....	p 80	p 75	185	40	70	600	490	+6.7	-83.1
Total man days idle.....	thousands	.....	p 3,750	p 7,850	2,600	1,200	7,500	19,000	3,460	-52.2	+8.1
Turnover rates in manufactur¹g (BLS)											
Separations ²	per 100 employees	.....	p 3.0	3.0	3.1	3.2	4.0	4.1	4.8	0	-37.1
Quits.....	per 100 employees	.....	p 1.2	1.0	1.1	.9	1.2	1.5	1.6	+20.0	-25.1
Discharges.....	per 100 employees	.....	p .2	.2	.2	.2	.2	.2	.3	0	-33.1
Layoffs.....	per 100 employees	.....	p 1.5	1.7	1.7	2.0	2.5	2.3	2.8	-11.8	-46.1
Accessions.....	per 100 employees	.....	p 3.7	3.2	3.6	3.2	3.3	3.7	3.0	+15.6	+23.1
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.433	1.424	1.420	1.418	1.408	1.392	1.392	1.401	+0.6	+2.1
weekly.....	average in dollars	p 56.89	56.53	56.37	56.29	56.04	54.43	55.26	53.80	+0.6	+5.1
Hours per production worker.....	average per week	p 39.7	39.7	39.7	39.7	39.8	39.1	39.7	38.4	0	+3.1
Employment.....	1939 average=100	.....	141.0	139.9	139.8	140.4	137.8	138.8	145.3	+0.8	-8.1
Payrolls.....	1939 average=100	.....	333.5	329.9	329.2	329.3	313.9	320.9	332.8	+1.1	+0.1
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.496	1.487	1.483	1.485	1.476	1.457	1.458	1.467	+0.6	+2.1
weekly.....	average in dollars	p 61.04	59.78	59.47	59.40	59.19	56.82	58.17	57.21	+2.1	+6.1
Hours per production worker.....	average per week	p 40.8	40.2	40.1	40.0	40.1	39.0	39.9	39.0	+1.5	+4.1
Employment.....	thousands	p 6,177	6,070	5,979	6,000	5,961	5,719	5,651	6,262	+1.7	-1.1
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.357	1.354	1.350	1.343	1.334	1.325	1.325	1.321	+0.2	+2.1
weekly.....	average in dollars	p 52.24	53.08	53.06	52.91	52.69	52.07	52.47	49.67	-1.6	+5.1
Hours per production worker.....	average per week	p 38.5	39.2	39.3	39.4	39.5	39.3	39.6	37.6	-1.8	+2.1
Employment.....	thousands	p 5,379	5,479	5,478	5,449	5,543	5,570	5,717	5,354	-1.8	+0.1
Class I railroads³											
Earnings, hourly.....	average in dollars	.....	.....	.....	1.624	1.625	1.620	1.614	1.410	-0.1	+15.1
weekly.....	average in dollars	.....	.....	.....	68.64	69.90	70.40	68.70	67.86	-1.8	+1.1
"Real" weekly earnings.....	1923=100	.....	.....	.....	172.2	175.8	175.9	171.6	166.8	-2.0	+3.1
Hours per wage earner.....	average per week	.....	.....	.....	42.3	43.0	43.5	42.6	43.1	-1.6	-12.1
Agricultural wage rates (BAE)⁴											
With board and room, per month.....	average in dollars	92.00	.....	.....	96.00	.....	.....	99.00	97.00	-4.2	-5.1
With house, per month.....	average in dollars	113.00	.....	.....	118.00	.....	.....	120.00	116.00	-4.2	-2.1
Composite rate per hour.....	average in dollars	.47	.....	.....	.59	.....	.....	.57	.48	-20.3	-2.1

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Based on reports from Minneapolis-St. Paul.

²Includes miscellaneous; shown separately prior to February, 1950.

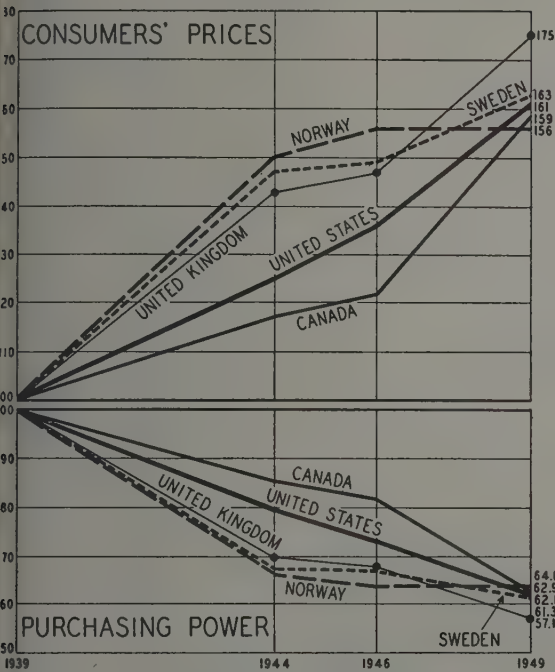
³Derived from Interstate Commerce Commission reports.

⁴Changes in Agriculture Wage Rates are quarterly.

pPreliminary.

rRevised.

Consumers' Price Index and Purchasing Power
Index Numbers, 1939 = 100



Sources: Statistical Office of the United Nations; London and Cambridge Economic Service; THE CONFERENCE BOARD

Consumers' Prices in Five Countries

FROM mid-March to mid-April, THE CONFERENCE BOARD's index of consumers' prices remained unchanged. Housewives paid virtually no more for food or clothing in April than in March, but they did spend slightly more for fuel (0.7%), housing (0.3%), and housefurnishings (0.2%). Sundries, the only component to show a decrease, dipped 0.1%. Compared with April, 1949, prices are more than 1% lower.

The only noticeable increases in food were beans and apples; spinach showed a decline. Retail prices of apparel remained virtually unchanged, although there was a slight decrease in women's street and dress shoes. Housefurnishings started a slight upward climb in 1950, bringing the index back to approximately the August, 1949, level (148.0).

Since April, 1949, housing costs for the United States have risen 2.5%. In the eighteen cities for which rent was surveyed in April, yearly increases ranged from 0.4% in Memphis and Minneapolis-St. Paul, to 14.6% in Houston. The largest increase during this period occurred in three of the decontrolled cities: Houston, decontrolled in October; Green Bay,

Consumers' Price Index for 54 United States Cities, and Purchasing Value of the Dollar
Index Numbers, January, 1939 = 100

Revised series: January, 1939 = 100; series previously was on 1923 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 April.....	161.4	208.7a	112.8	148.7	161.9	137.7	127.9	91.0	101.8	153.1	151.9	62.0
May.....	161.6	208.2b	112.8	147.8	160.7	136.9	126.8	91.9	101.8	151.8	153.9	61.9
June.....	161.7	209.0	112.8	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.1	61.8
July.....	161.2	207.8c	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.1	62.0
August.....	161.3	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	154.3	62.0
September.....	161.9	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	154.6	61.8
October.....	160.2	204.0d	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	154.5	62.4
November.....	160.2	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	154.5	62.4
December.....	159.2	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	154.4	62.8
Annual average.....	161.2	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	153.5	62.0
1950 January.....	159.5r	200.9e	114.7	143.2	156.0	132.3	130.4	92.6	101.6	147.6	154.9r	62.7r
February.....	158.9r	199.3	114.7	142.8r	155.7	131.8	130.6	92.6	101.6	147.9	154.8r	62.9r
March.....	159.6r	201.0	114.8	142.6	155.5	131.7r	131.0	92.7	101.6	147.9	154.9r	62.7
April.....	159.6	200.9f	115.1	142.6	155.5	131.6	131.9	92.6	101.6	148.2	154.8	62.7

Percentage Changes												
March, 1950 to April, 1950.	0	<i>g</i>	+0.3	0	0	-0.1	+0.7	-0.1	0	+0.2	-0.1	0
April, 1949 to April, 1950..	-1.1	-3.7	+2.5	-4.1	-4.0	-4.4	+3.1	+1.8	+0.3	-3.2	+1.9	+1.1

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from March 1949, through January 1950.
²Includes electricity and gas.
³Rents surveyed quarterly for individual cities from February 1950, forward.
^aBased on food prices for April 14, 1949.
^bBased on food prices for May 16, 1949.
^cBased on food prices for July 14, 1949.
^dBased on food prices for October 13, 1949.
^eBased on food prices for January 16, 1950.
^fBased on food prices for April 13, 1950.
^gLess than 0.1%.
^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Apr. 1950	Feb. 1950	Apr. 1949	Feb. 1950 to Apr. 1950	Apr. 1949 to Apr. 1950		Apr. 1950	Feb. 1950	Apr. 1949	Feb. 1950 to Apr. 1950	Apr. 1949 to Apr. 1950
Baltimore						Memphis					
Food.....	201.5	201.2 _r	208.2	+0.1	-3.2	Food.....	210.0	210.5 _r	217.1	-0.2	-3.3
Housing ¹	112.3	112.3	110.1	0	+2.0	Housing ¹	114.5	114.4	114.0	+0.1	+0.4
Clothing.....	144.0	143.7	149.5	+0.2	-3.7	Clothing.....	148.1	148.8	154.7	-0.5	-4.9
Fuel ²	154.1	152.0	143.5	+1.4	+7.4	Fuel ²	118.2	117.9	117.9	+0.3	+0.3
Housefurnishings.....	165.7	165.4	167.5	+0.2	-1.1	Housefurnishings.....	146.6	146.8	150.8	-0.1	-2.8
Sundries.....	150.6	149.9 _r	148.1 _r	+0.5	+1.7	Sundries.....	139.5	138.5 _r	134.5 _r	+0.7	+3.7
Weighted Total.....	161.7	161.2 _r	162.8 _r	+0.3	-0.7	Weighted Total.....	154.8	154.7 _r	156.1 _r	+0.1	-0.8
Bridgeport						Minneapolis-St. Paul					
Food.....	192.6	190.4	202.9	+1.2	-5.1	Food.....	213.9	214.3	217.6	-0.2	-1.7
Housing ¹	111.1	111.1 _r	107.1	0	+3.7	Housing ¹	109.1	109.1	108.6	0	+0.5
Clothing.....	137.5	137.5	143.1	0	-3.9	Clothing.....	144.0	145.5	150.3	-1.0	-4.2
Fuel ²	147.0	147.0	145.3 _r	0	+1.2	Fuel ²	140.7	140.3	138.9	+0.3	+1.3
Housefurnishings.....	144.2	144.7	151.7	-0.3	-4.9	Housefurnishings.....	156.0	154.1	162.8	+1.2	-4.2
Sundries.....	171.7	171.2 _r	169.7 _r	+0.3	+1.2	Sundries.....	156.7	153.5	152.9	-1.1	+2.5
Weighted Total.....	160.5	159.7 _r	163.2 _r	+0.5	-1.7	Weighted Total.....	162.7	163.4	163.4	-0.4	-0.4
Dayton						Newark					
Food.....	196.1	195.4	198.0	+0.4	-1.0	Food.....	199.3	199.6 _r	209.3	-0.2	-4.8
Housing ¹	119.0	118.1 _r	117.5	+0.8	+1.3	Housing ¹	106.4	106.4	105.7	0	+0.7
Clothing.....	138.1	138.3	142.7	-0.1	-3.2	Clothing.....	135.1	135.5 _r	140.8	-0.3	-4.0
Fuel ²	144.4	144.4	140.9 _r	0	+2.5	Fuel ²	117.7	116.6	113.8	+0.9	+3.4
Housefurnishings.....	154.6	152.2	155.7	+1.6	-0.7	Housefurnishings.....	168.1	167.4	169.5	+0.4	-0.8
Sundries.....	153.2	152.9 _r	149.9 _r	+0.2	+2.2	Sundries.....	145.8	145.2	141.0	+0.4	+3.4
Weighted Total.....	157.9	157.4 _r	157.6 _r	+0.3	+0.2	Weighted Total.....	156.3	156.2 _r	158.8	+0.1	-1.6
Eric, Pa.						Omaha					
Food.....	212.6	214.1	222.6	-0.7	-4.5	Food.....	219.9	219.2 _r	226.5 _r	+0.3	-2.9
Housing ¹	124.0	124.0	123.2	0	+0.6	Housing ¹	125.3	125.2 _r	111.3	+0.1	+12.6
Clothing.....	165.9	165.9	168.7	0	-1.7	Clothing.....	141.3	141.8	147.3	-0.4	-4.1
Fuel ²	159.3	153.7	153.5	+3.6	+3.8	Fuel ²	133.0	133.1	131.1	-0.1	+1.4
Housefurnishings.....	147.7	147.3	152.0 _r	+0.3	-2.8	Housefurnishings.....	165.1	163.2	168.3	+1.2	-1.9
Sundries.....	163.8	162.9 _r	159.8	+0.6	+2.5	Sundries.....	154.8	154.1 _r	148.4	+0.5	+4.3
Weighted Total.....	171.3	170.9 _r	173.1	+0.2	-1.0	Weighted Total.....	165.9	165.4 _r	164.0	+0.3	+1.2
Grand Rapids						Roanoke, Va.					
Food.....	196.3	196.7	207.2	-0.2	-5.3	Food.....	198.6	197.0	210.0	+0.8	-5.4
Housing ¹	129.0	125.7	115.5	+2.6	+11.7	Housing ¹	140.6	140.6	137.8	0	+2.0
Clothing.....	135.2	136.6	142.6	-1.0	-5.2	Clothing.....	160.1	160.9	163.9	-0.5	-2.3
Fuel ²	160.4	159.3	151.9 _r	+0.7	+5.6	Fuel ²	150.6	156.6	150.0	-3.8	+0.4
Housefurnishings.....	157.0	156.1	165.7	+0.6	-5.3	Housefurnishings.....	151.0	150.9	156.9	+0.1	-3.8
Sundries.....	159.5	157.0 _r	154.6	+1.6	+3.2	Sundries.....	150.6	149.6 _r	147.3	+0.7	+2.2
Weighted Total.....	162.3	161.1	162.3 _r	+0.7	0	Weighted Total.....	164.1	163.8	166.5	+0.2	-1.4
Green Bay, Wis.						Sacramento					
Food.....	206.5	206.5 _r	210.7	0	-2.0	Food.....	205.3	204.6	217.6	+0.3	-5.7
Housing ¹	131.8	131.8	115.2	0	+14.4	Housing ¹	128.3	115.5	115.5 _r	+11.1	+11.1
Clothing.....	150.2	151.8	158.1	-1.1	-5.0	Clothing.....	160.7	161.1 _r	167.4	-0.2	-4.0
Fuel ²	144.7	144.7	140.3 _r	0	+3.1	Fuel ²	76.2	76.2	74.7	0	+2.0
Housefurnishings.....	132.9	134.0 _r	149.2	-0.8	-10.9	Housefurnishings.....	156.3	156.7	171.0	-0.3	-8.6
Sundries.....	153.9	153.4 _r	150.4 _r	+0.3	+2.3	Sundries.....	151.6	151.2	147.3	+0.3	+2.9
Weighted Total.....	163.1	163.2 _r	162.3 _r	-0.1	+0.5	Weighted Total.....	160.9	158.4	162.3	+1.6	-0.9
Houston						Seattle					
Food.....	207.5	210.9	214.8	-1.6	-3.4	Food.....	202.2	201.9 _r	215.2	+0.1	-6.0
Housing ¹	130.0	130.7 _r	113.4	-0.5	+14.6	Housing ¹	120.5	120.0	115.9	+0.4	+4.0
Clothing.....	141.1	141.3 _r	150.7	-0.1	-6.4	Clothing.....	133.3	132.6 _r	140.0 _r	+0.5	-4.8
Fuel ²	81.8	81.8	81.8	0	0	Fuel ²	137.5	136.1	137.5 _r	+1.0	0
Housefurnishings.....	129.0	130.2	138.5 _r	-0.9	-6.9	Housefurnishings.....	156.4	157.6	165.4	-0.8	-5.4
Sundries.....	152.3	150.2 _r	145.4	+1.4	+4.7	Sundries.....	150.1	149.3 _r	142.9	+0.5	+5.0
Weighted Total.....	157.5	157.9 _r	156.1	-0.3	+0.9	Weighted Total.....	159.7	159.2 _r	161.9 _r	+0.3	-1.4
Syracuse						Syracuse					
Food.....	201.9	199.6 _r	208.4	+1.2	-3.1	Food.....	201.9	199.6 _r	208.4	+1.2	-3.1
Housing ¹	124.5	124.5	116.7	0	+6.7	Housing ¹	124.5	124.5	116.7	0	+6.7
Clothing.....	143.5	143.7	153.9	-0.1	-6.8	Clothing.....	143.5	143.7	153.9	-0.1	-6.8
Fuel ²	154.5	149.5	147.9	+3.3	+4.5	Fuel ²	154.5	149.5	147.9	+3.3	+4.5
Housefurnishings.....	155.8	155.8	161.2	0	-3.3	Housefurnishings.....	155.8	155.8	161.2	0	-3.3
Sundries.....	143.8	143.0	141.1	+0.6	+1.9	Sundries.....	143.8	143.0	141.1	+0.6	+1.9
Weighted Total.....	158.2	156.9	158.5	+0.8	-0.2	Weighted Total.....	158.2	156.9	158.5	+0.8	-0.2

SOURCE: THE CONFERENCE BOARD

¹Rents surveyed quarterly.

²Includes electricity and gas.

_rRevised.

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes		City	Index Numbers Jan., 1939=100			Percentage Changes	
	Apr. 1950	Mar. 1950	Apr. 1949	Mar. 1950 to Apr. 1950	Apr. 1949 to Apr. 1950		Apr. 1950	Mar. 1950	Apr. 1949	Mar. 1950 to Apr. 1950	Apr. 1949 to Apr. 1950
Birmingham						Indianapolis					
Food.....	199.5	199.9 ^r	209.3	-0.2	-4.7	Food.....	208.0	208.5	212.4	-0.2	-2.1
Housing ¹	121.6	121.6	121.6	0	0	Housing ¹	121.0	121.0	119.4	0	+1.3
Clothing.....	146.0	146.0	151.2	0	-3.4	Clothing.....	140.2	140.3	146.9	-0.1	-4.6
Fuel ⁴	124.4	130.2	127.1 ^r	-4.5	-2.1	Fuel ⁴	157.8	160.5	149.3	-1.7	+5.7
Housefurnishings.....	147.5	148.3	150.3	-0.5	-1.9	Housefurnishings.....	146.8	146.5	150.5	+0.2	-2.5
Sundries.....	140.3	140.3	138.9	0	+1.0	Sundries.....	157.0	156.6 ^r	155.1	+0.3	+1.2
Weighted Total.....	154.5	154.9	157.8 ^r	-0.3	-2.1	Weighted Total.....	163.6	163.7 ^r	164.3	-0.1	-0.4
Boston						Los Angeles					
Food.....	188.5	190.8	196.2	-1.2	-3.9	Food.....	200.6	199.2 ^r	212.1	+0.7	-5.4
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	114.6	113.1	111.9	+1.3	+2.4
Clothing.....	138.8	138.9	143.8 ^r	-0.1	-3.5	Clothing.....	137.9	137.9	141.0	0	-2.2
Fuel ⁴	157.5	157.0	156.1	+0.3	+0.9	Fuel ⁴	91.8	91.8	91.8	0	0
Housefurnishings.....	154.0	154.3	159.5 ^r	-0.2	-3.4	Housefurnishings.....	138.5	138.5	141.7	0	-2.3
Sundries.....	150.9	150.9	150.0	0	+0.6	Sundries.....	147.9	150.2	146.7	-1.5	+0.8
Weighted Total.....	156.9	157.7	159.7	-0.5	-1.8	Weighted Total.....	153.8	153.8	156.8	0	-1.9
Chicago						New Orleans					
Food.....	208.9	208.6	215.3	+0.1	-3.0	Food.....	205.5	207.2	207.2	-0.8	-0.8
Housing ¹	124.3	123.4	120.5	+0.7	+3.2	Housing ¹	119.1	119.1	119.4	0	-0.3
Clothing.....	141.4	141.6	145.9	-0.1	-3.1	Clothing.....	148.8	148.7	152.9	+0.1	-2.7
Fuel ⁴	116.1	115.8	109.7	+0.3	+5.8	Fuel ⁴	90.6	90.6	91.2	0	-0.7
Housefurnishings.....	142.8	142.8	149.6	0	-4.5	Housefurnishings.....	153.7	154.4	162.0	-0.5	-5.1
Sundries.....	163.1	163.1 ^r	153.8	0	+6.0	Sundries.....	140.2	140.2	139.5	0	+0.5
Weighted Total.....	164.2	164.0 ^r	163.2	+0.1	+0.6	Weighted Total.....	160.3	160.9	161.6	-0.4	-0.8
Denver						New York					
Food.....	203.8	203.5 ^r	212.5	+0.1	-4.1	Food.....	192.3	192.4	201.9	-0.1	-4.8
Housing ¹	113.4	113.4	113.4	0	0	Housing ¹	104.6	104.6	104.4	0	+0.2
Clothing.....	151.8	151.6	152.9	+0.1	-0.7	Clothing.....	142.4	142.2 ^r	148.6	+0.1	-4.2
Fuel ⁴	106.0	106.0	105.0	0	+1.0	Fuel ⁴	131.4	130.0	129.8 ^r	+1.1	+1.2
Housefurnishings.....	140.6	140.6	148.7	0	-5.4	Housefurnishings.....	150.9	150.5	154.8	+0.3	-2.5
Sundries.....	149.8	147.4	145.7	+1.6	+2.8	Sundries.....	160.1	160.1 ^r	160.2	0	-0.1
Weighted Total.....	157.1	156.3 ^r	158.9	+0.5	-1.1	Weighted Total.....	156.3	156.3 ^r	160.4 ^r	0	-2.6
Detroit						Philadelphia					
Food.....	204.3	202.9	208.0	+0.7	-1.8	Food.....	186.9	188.0	194.6	-0.6	-4.0
Housing ¹	115.0	115.0	114.8	0	+0.2	Housing ¹	111.0	111.0	110.4	0	+0.5
Clothing.....	141.0	141.0	147.7	0	-4.5	Clothing.....	131.9	132.5	141.1	-0.5	-6.5
Fuel ⁴	151.5	150.6	150.9 ^r	+0.6	+0.4	Fuel ⁴	150.5	147.2	139.5	+2.2	+7.9
Housefurnishings.....	153.2	152.7	158.0	+0.3	-3.0	Housefurnishings.....	147.7	147.3	150.1	+0.3	-1.6
Sundries.....	164.9	164.9	162.3	0	+1.6	Sundries.....	152.8	152.7	150.8	+0.1	+1.3
Weighted Total.....	162.5	162.0	163.8 ^r	+0.3	-0.8	Weighted Total.....	155.6	155.8	158.1	-0.1	-1.6

Source: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November.

³Rents surveyed March, June, September, December.

⁴Includes electricity and gas.

^rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 April.....	160.9	205.6 ^a	111.4	146.5	158.8	136.1	125.5	93.0	103.1	152.5	155.2	62.2
May.....	160.8	204.9 ^b	111.4	145.6	157.3	135.4	124.1	94.2	103.3	151.3	156.6	62.2
June.....	160.9	205.7	111.4	143.3	155.2	133.2	124.5	94.2	103.3	150.3	156.8	62.2
July.....	160.4 ^r	205.0 ^c	111.4	142.4	153.9	132.6	124.4	94.2	103.3	148.3	156.5 ^r	62.3
August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	156.9 ^r	62.3
September.....	161.0 ^r	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2 ^r	62.1
October.....	159.3 ^r	200.3 ^d	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1 ^r	62.8 ^r
November.....	159.5 ^r	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1 ^r	62.7 ^r
December.....	158.4 ^r	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0 ^r	63.1 ^r
Annual average.....	160.5 ^r	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5 ^r	62.3 ^r
1950 January.....	158.4 ^r	197.6 ^e	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7 ^r	63.1 ^r
February.....	157.8 ^r	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	157.7 ^r	63.4 ^r
March.....	158.4 ^r	197.7	112.3	140.8	152.1	131.2	127.9	94.2	102.7	147.8	157.8 ^r	63.1 ^r
April.....	158.5	197.7 ^f	112.6	140.7	152.2	131.1	128.3	94.2	102.7	148.0	157.6	63.1

Percentage Changes

March, 1950 to April, 1950.	+0.1	0	+0.3	-0.1	+0.1	-0.1	+0.7	0	0	+0.1	-0.1	0
April, 1949 to April, 1950.	-1.5	-3.8	+1.1	-4.0	-4.2	-3.7	+2.6	+1.3	-0.4	-3.0	+1.5	+1.4

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for April 14, 1949.

^bBased on food prices for May 16, 1949.

^cBased on food prices for July 14, 1949.

^dBased on food prices for October 13, 1949.

^eBased on food prices for Jan. 16, 1950.

^fBased on food prices for April 13, 1950.

^rRevised.

decontrolled in August; and Omaha, whose controls were lifted in November.

The purchasing value of the consumer dollar (January, 1939=100 cents) was 62.7 cents in April, 1950. This represents an increase of 1.1% over its level of April, 1949, when it stood at 62.0 cents.

COMPARED WITH OTHER COUNTRIES

In comparing THE CONFERENCE BOARD's consumers' price index with those of other countries, such as Canada, Norway, Sweden and the United Kingdom, the United States stands in the middle, with an increase of 61% from 1939 through 1949. For the same period, the United Kingdom showed an increase of 75%; Sweden, 63%; Canada, 59%; and Norway, 56%. It can be seen by the accompanying chart that in 1949 there was not more than seven percentage points difference in the declines in purchasing power of the monetary units in any of these countries.

From 1939 through 1946, Norway showed the sharpest rise in consumers' prices with an increase of 56%, followed by Sweden with a 49% increase. However, in the three years from 1946 through 1949, Norway showed no increase and Sweden recorded the smallest rise of any of the other countries—9.4%. The index for the United Kingdom increased 47% from 1939 through 1946 and 19% for the period 1946-1949. Canadian consumers' prices ran at a slower pace, increasing 22% from 1939 through 1946, compared to a 36% increase in the United States. However, Canada took the largest jump of any of the five countries in the following three years with a 30.3% increase, bringing the index to within two percentage points of the United States in 1949.

SHIRLEY FASS
Statistical Division

Productivity

(Continued from page 227)

MR. ENGSTROM: I think it is perfectly obvious that replacement of machine tool equipment is proceeding at a slow pace. At the rate that business is now reinvesting its money in new equipment, it would take us forty years to get our plants up to date. The obvious answer to that, I suppose, is more generous allowances for depreciation and opportunity for business, with lightened taxes, to get more new equipment.

MR. PETERSEN: I think here you have the crux of the problem. The obsolescent plant is the only thing holding back increased productivity in this country.

A few years ago I hired a man to run our manu-

facturing research department. I told him he had only one job and that job was to make every machine in our plant obsolete. The more you make your machines obsolete and replace them with new ones and better ones, the more chance you have of increasing your productivity.

CHAIRMAN PITZELE: What about the obsolescence of the human machine?

DR. SAWYER: Somebody has said that by 1980 every working individual will have to support one other individual who is either over sixty-five years of age and retired or disabled. Economically, that is a pretty serious situation to contemplate. We must start thinking about this aging worker. Are we going to adhere to a straight sixty-five year age retirement program, or are we going to find part-time work or reduced-activity positions or something of that nature?

CHAIRMAN PITZELE: There are certain needs, both logical and psychological, which workers have, and which all human beings have. If those needs can be satisfied by employer programs of one sort or another, there may very well be no place for a union. What is the union's position on this?

MR. HUENDORFF: I don't believe you get as much good out of a program where management picks the fellows who are going to be the workers' leaders as you can where the workers themselves pick the leaders.

CHAIRMAN PITZELE: How about the individual worker who wants to work harder than he is working, wants to turn out more, but is held back by feeling that he might come into disfavor with his fellow workers who apparently are satisfied to work along on a slower level? That is a pretty common problem. What do you do in a situation like the one I have outlined?

MR. GARVEY: This is a very fundamental problem and we are now suffering from the sins of former generations, the sins of the old speed-up system and so forth which the union folks dwell upon. Of course, they can give you line, chapter and verse—there is no question about that. My father worked at a bench for \$12 a week. At the age of ten, when I used to do my grammar school lessons on the kitchen table, I would hear all the family problems, including the fact that the foremen and management generally were a bunch of so-and-so's because they brought in a bunch of outlanders to kill the rates and make it hard for a tradesman who was interested in quality workmanship. Those things stick with families and go down through generations.

The first thing we have got to get is confidence in the management; confidence that we are fair, that we

understand, for example, that "eager beavers" may not stay on the job month after month, and year after year, and that rates must be set not on a short-term basis but on a basis that will be lasting.

We have got to build up confidence that we want a reasonable level of productivity and not an unreasonable one, and that takes time.

CHAIRMAN PITZELE: I think management sometimes forgets the experience which most American workers have had with unemployment. There is a general assumption in management's mind that the guy who holds back on a job is a bad fellow, mischievous fellow, somebody who has a streak of cussedness in him who should be gotten out of that situation, and that this business of featherbedding, of restrictions on output, is primarily a union problem. Featherbedding predated unionism by a long time. And featherbedding is encountered in situations where unions don't exist.

By and large, I think the worker who has had an experience with unemployment recalls very, very vividly his experience and never forgets it, and he is just afraid he is going to work himself and his co-workers are going to work themselves out of a job.

Now, we who may be in a position to take a little broader view of the problem can understand that only by producing more and producing it more efficiently and selling it for less can we sustain a high level of employment in America or in any other economy. And that can be demonstrated conclusively, but the hard and unhappy fact of the matter is that this doesn't work automatically, that if a house is built fast, then that construction crew may have to sit around for a couple of months before they get another job to work on.

In the long run, if they build houses efficiently, which means more cheaply, more houses will be built and sold and they will get more employment; but in the short run, increased output has often meant surplus inventories and workers laid off. So we deal here with the problem of communicating, getting across the economic facts of life. And I must say that employers, by getting very stuffy and withdrawing when they encounter the problem in their own plants, make no contribution to the necessary enlightenment. They attribute the existence of the problem to just some quirk in human nature or some bad guy they might have on the pay roll.

MR. ENGSTROM: I had some very interesting experiences with labor-management committees during the war. At Bendix we had a labor-management committee of 125 men and women. This group was broken down for the consideration of production worker problems, personnel problems, etc. Every conceivable problem was considered by this labor-management group. I can't quote you figures, but the

amount of money saved by the production committee was staggering—far more than what could have been contributed by industrial engineering and production management people. It also developed an esprit de corps which I was very sorry to see go by the door when the war was over. It is something that I think we should have continued and given more emphasis to. I don't know what labor's attitude is toward that today, but in those particular days they were most cooperative and it was a real pleasure to have these meetings. I think it should be given some more thought and possibly revived.

MR. HUHNDORFF: The primary requisite in a labor-management group is that management must accept the union. Management can't just tolerate it; it must be a part of the team.

CHAIRMAN PITZELE: What justification is there, if any, for the place that a union may occupy in terms of production schedules?

MR. HUHNDORFF: I represent an organization that has 11,000 agreements in over 250 different classifications of industry, and naturally we have a lot of problems. We don't have too much of a problem on production-line speeds, but I say this: It is definitely a working condition and as such it is bargainable under the law.

MR. PETERSEN: We have forgotten the most important thing—the judge who sits over and beyond the bargaining table. In other words, it is the customer in the long run who must be considered. You can't negotiate a rate or speed or anything else if your product is not going to be purchased by the customer.

CHAIRMAN PITZELE: What about incentives?

MR. PETERSEN: I don't think there is any question but that a person will act with a little more vigor under an incentive system than he will without one. With an incentive, the employee stands watching the dial on the machine rather than the clock on the wall. I don't think any incentive system is a good system which does not take into consideration the effect upon unit cost. If you are going to pay more to the man, you can only afford to pay it because more units are produced and because the unit cost has gone down. The incentive system should be as simple as possible. The worker cannot possibly work under a complicated system which he does not understand.

DR. McGEHEE: Incentives are only part of the motivational pattern of work. If the rest of the motivational pattern isn't correct, the incentive won't get more production from the workers. I am sure we all know companies which operate without a

formal incentive system and get very efficient and effective production.

MR. HUHNDORFF: I believe in the long run you get better production on an hourly rate of pay than you do on piecework. Piecework and incentive systems create envy and dissension.

CHAIRMAN PITZELE: How does a community relations program affect production?

MR. FLETCHER: What the community thinks of your company is what it thinks of industry in general. Every one of us has a job to do in the community. There are teachers and preachers and editors in all communities and you can work with them. They are the people who help set opinions. What people think is best for them determines how they vote in matters vitally affecting our industrial system.

DR. SAWYER: I definitely agree with Mr. Fletcher. We have been going through a program of entertaining the families of our workers in the plants and also entertaining the leading citizens in the communities, the lawyers, the doctors, the dentists, social workers, hospital people and so on, and that is the sort of thing that is bound to make for good community relations.

I would like to ask this question of Mr. Huhndorff: Are the interests of labor and capital identical?

MR. HUHNDORFF: I think that one of the real difficulties in this country is that industry hasn't yet really accepted organized labor. There is too big a group of industrialists in this country who are hoping for the day when they can get all these labor laws repealed and go back to the good old days of 1929.

CHAIRMAN PITZELE: You are not suggesting that the industrialists want to repeal the Taft-Hartley Act, are you?

MR. HUHNDORFF: If they have their way they would repeal those parts of the law which are a carry-over from the old Wagner Act. I have to deal with a lot of people whom I know just tolerate me because I represent the people in their plant. One cannot create a good working team in a plant under such conditions.

CHAIRMAN PITZELE: Well, now, I am going to ask every member of this panel to answer a final question. The question is this: Suppose the average member of this audience came up to you after this meeting and said: "Look, you come with me into my plant. You profess to be an expert on productivity. I have an average plant and an average management and we do an average job. I will give you complete authority when you come into my workplace. You can do one thing to increase productivity in my plant. What one thing would you do?"

MR. PETERSEN: I say you should look at the plant facilities. Are they up to date? Are they capable of producing a product which can be sold in the market at a profit?

MR. ENGSTROM: I think I would honestly try to put as much emphasis on the study and practice of good industrial relations as I do on the activity of production and industrial engineering. In other words, try to work in the Golden Rule.

MR. DIRKS: The first thing that has to be done is to make an analysis of the particular situation because no two plants are alike. And that analysis has to start with top management and work on down. It would be impossible to apply any remedies without knowing what the disease is.

MR. GARVEY: If I was out of a job and needed one so badly that I had to accept a proposition like this, my choice of the one best thing to do would be the building up of the first-line and second-line supervision in order to operate the facilities we had in the best way they could be operated.

DR. McGEHEE: I would make a very careful survey of the social climate of my plant and take steps to eliminate the storm signs.

MR. FLETCHER: I would tell every man in management to stay on the job right where he was. I would establish no office. I would get a pair of easy shoes and go out in the plant and meet as many people as I could. I would do a lot of listening and ask a lot of questions and then I would be ready to go.

MR. HUHNDORFF: I think you would have to spend the biggest part of your first several days in trying to gain the confidence of the workers and supervision. Then I would listen. I think my main objective would be to develop good teamwork between the union and the supervision.

DR. SAWYER: I would call the workers together and ask if they had had a good medical examination in the last five years.

CHAIRMAN PITZELE: Well, ladies and gentlemen, I think after that exhibition you can see it is not an easy problem we deal with here. We now open the meeting for questions from the floor.

QUESTION: How would the chairman answer that last question?

CHAIRMAN PITZELE: All right. I admit it is a crazy question. But I won't duck it. I'd say, if you could let me do one thing in your plant tomorrow and only one thing without knowing anything about your business, I would raise the wages of your foremen about 25%.

Wage Settlement Announcements—April 15 to May 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure
- D. Wage Decrease

Note: Adjustments verified by company unless otherwise specified.

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Building Materials and Supplies</i>							
Johns-Manville Corp. Billerica, Mass.	WE	\$.02 hr.	2-13-50	67	n.a.	n.a.	One-week vacation after one year; 2 weeks after 3 years. (UMW, Dist. 50) (United Bro. of Carpenters & Joiners, AFL)
*Carpenters District Council.	WE	\$.175 hr.	An- nounced 4-30-50	10,000	\$2.325 hr. journeymen \$2.575 hr. foremen and layout men	n.a.	
*Painters District Council. Detroit, Mich.	WE	\$.15 hr.	4-50	5,000 approx.	\$2.10 hr. average	n.a.	Also noncontributory hospital-medical insurance program. (Bro. of Painters, Decorators and Paperhangers, AFL)
<i>Chemicals and Allied Products</i>							
American Cyanamid Co. Bridgeville, Pa.	WE	\$.03 to \$.10 hr.	4-1-50	600	n.a.	n.a.	Three weeks' vacation after 15 years' service. Contributory group insurance plan. Wage reopening 4-1-51. (UMW, Dist. 50)
Hercules Powder Co. Jasonville, Ind.	WE	\$.05 hr.	4-1-50	28	\$1.61 hr.	7-19-48	Waiting period before eligible for disability wages reduced to 2 instead of 7 days. Wage reopening allowed once each year. (UMW, Dist. 50)
Kenvil, N. J.	WE	\$.06 hr.	4-1-50	386	\$1.60 hr. average	7-48	Waiting period before eligible for disability wages reduced to 2 instead of 7 days. Wage reopening once during each year, on 60 days' notice. (UMW, Dist. 50)
Monsanto Chemical Co. Carondelet, Mo.	WE	\$.07 hr.	2-16-50	110	n.a.	n.a.	Contract runs for 18 months. (Int. Chem. Workers, AFL)
Norfolk, Va.	WE	5%	4-3-50	150	n.a.	n.a.	Contract runs for 18 months. (Int. Chem. Workers, AFL)
Western Division Seattle, Wash.	WE	\$.05 hr.	3-1-50	75	n.a.	n.a.	Some job rate adjustments—increase in emergency call-out rate. One-year contract, no reopening. (Int. Chem. Workers, AFL)
National Vulcanized Fibre Company. Wilmington, Yorklyn, Del.; Kennett Square, Pa.	WE	\$.04 hr.	4-3-50	814	\$.84 hr.	4-4-49	Guaranteed Christmas bonus for 1950 at Wilmington and Yorklyn plants. Three cents an hour to be given on 12-18-50 in lieu of any further Christmas bonus. Wage reopening 60 days prior to 4-3-51. (United Electrical, Radio and Machine Workers)
*Six Exterminator Companies. Pennsylvania	WE	\$.05 hr.	Retroactive to 3-15-50	102	n.a.	n.a.	One-year contract (Building Service Employees, AFL)
<i>Food and Allied Products</i>							
P. Lorillard Company. Louisville, Ky.; Jersey City, N. J.	WE	\$.075 hr.	1-50	1,850 approx.	n.a.	n.a.	Wage reopening 1-51. (Tobacco Workers Int'l Union, AFL)
Ralston Purina Co. Nashville, Tenn.	WE	\$.05 hr.	2-8-50	170	\$.92 hr. truckers' rates	2-8-49	(Food, Tobacco, Agricultural and Allied Workers of America)
<i>Metal Manufactures</i>							
Dahlstrom Metallic Door Company. Jamestown, N. Y.	WE	\$.06 hr.	3-6-50	620	\$.87 hr. to \$1.55 hr.	4-1-49	Added group insurance benefits. Wage reopening 5-31-51. (United Electrical, Radio and Machine Workers of America)
Electro-Voice, Inc. Buchanan, Mich.	WE	\$.05 hr.	3-13-50	175	\$1.31 hr. male min. \$1.26 hr. female min.	n.a.	Contract may be reopened for wages at any time. (United Electrical Radio and Machine Workers)
*Lionel Corporation. Irvington, N. J.	WE	\$.05 hr.	5-50	1,900	n.a.	n.a.	
Reliance Electric & Engineering Co.. Ashtabula and Cleveland, Ohio	WE	\$.03 hr.	3-6-50	1,000	n.a.	n.a.	Hospitalization and health and accident insurance and surgical reimbursement for all employees. Wage reopening 3-6-51. (United Electrical Radio and Machine Workers)
	S	\$6-\$12 month	3-6-50	500	n.a.	n.a.	(No union)

A—WAGE INCREASE ANNOUNCEMENTS—APRIL 15 TO MAY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufactures (Continued)</i>							
Revere Copper & Brass, Inc. Baltimore, Md.	WE	\$.05 hr.	3-1-50	600	n.a.	n.a.	Contributory insurance program covering life, disability, hospitalization and surgical for employees and dependents. Company pays approximately 60% of cost. Wage reopening 6-1-51. (UMW, Dist. 50)
O. A. Sutton Corporation..... Wichita, Kan.	WE	\$.06 hr.	1-1-50	n.a.	\$.85 to \$1.65 hr.	7-16-49	One additional paid holiday. Wage reopening 1-15-51. (Int. Assoc. of Machinists, Ind.)
Sylvania Electric Products, Inc. Seneca Falls, N. Y.	WE	\$.08 hr.	4-28-50	600 approx.	n.a.	n.a.	First contract. Noncontributory group life insurance of \$2,000 and weekly disability benefits equal to half employees' regular 40-hour pay but not less than \$10 per week or more than \$35 week up to a total of 26 weeks in any 12-month period. Company contributes 15¢ week toward the cost of each employee's membership in the Blue Cross. Wage reopening 4-28-51. (United Steelworkers, CIO)
<i>Metals</i>							
*American Steel & Wire Co. Carnegie-Illinois Steel Corp. Columbia Steel Co., and National Tube Company Pennsylvania	S	see remarks	8-50	n.a.	n.a.	n.a.	Elimination of plant salary inequities. Rise in minimum biweekly scale. (United Steelworkers, CIO)
Broderick & Bascom Rope Co. Peoria, Ill.	WE	\$.04 hr.	4-12-50	75	n.a.	n.a.	Wage reopening 4-12-51 (FE-UE)
Serrick Corporation..... Muncie, Ind.	WE	\$.055 hr.	retroac- tive to 4-9-49	50	\$1.485 hr.	7-48	Increase equivalent to 7¢ on incentive basis. Rate now equal to \$2 hour. Wage reopening on 30 days' notice. (Buffers, Polishers, Platers and Helpers, AFL)
*Sheet Metal Workers..... Detroit, Mich.	WE	\$.125 hr.	4-50	2,500	\$2.275 hr.	n.a.	Additional 2.5¢ granted for hospital, medical insurance. (Int'l Assoc. of Sheet Metal Workers, AFL)
Union Steel Products Co. Albion, Mich.	WE	see remarks	5-1-50	n.a.	n.a.	n.a.	Increase of 7¢ hour on base rates under \$1.25; 5¢ hour for \$1.25-\$1.54; 3¢ hour over \$1.54. Group insurance plan liberalized. Weekly sickness and accident benefits of \$14 for women employees; \$21 for men employees. Daily hospital benefits—\$8 for employees, \$7 for dependents. Maximum surgical allowance—\$175 for employees, \$140 for dependents; amount for extras and special fees—\$125 and \$105 respectively for employees and dependents. Contract expires 10-15-50. (Stove Mounters Int'l Union, AFL)
<i>Paper and Paper Products</i>							
American Coating Mills..... Elkhart, Ind.	WE	\$.03 hr. average	retroac- tive to 6-6-49	360 approx.	n.a.	3-48	Result of job evaluation. (United Paperworkers, CIO)
Kimberly-Clark Corporation..... Neenah, Wis.	WE	\$.05 hr.	3-13-50	1,363	\$1.25 hr. male \$1.09 hr. female base pay	12-6-48	Corporation contribution toward Blue Shield surgical 60¢ per employee per month and an additional 55¢ per employee per month for married employees. Double time for work performed on Memorial Day and Thanksgiving Day. No wage reopening until contract renewal date 4-14-51. (UMW, Dist. 50)
	S	\$9 mo. general	4-16-50	71	\$197.50 mo. to \$304.50 mo. n.a.	12-6-48	(Office & Clerical Workers)
St. Regis Paper Co. Interstate	WE	\$.05 hr.	5-1-50	4,000 approx.	n.a.	n.a.	(Int'l Bro. of Paper Makers, AFL; Int'l Asso. of Machinists, Ind.; Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL; Int'l Bro. of Electrical Workers, AFL; Int'l Bro. of Firemen and Oilers, AFL; United Bro. of Carpenters & Joiners, AFL)
<i>Petroleum and Allied Products</i>							
Jenney Manufacturing Co. Boston, Mass.	WE	Up to \$.02 hr.; \$.10 hr. factory clerks	2-7-50	50 approx.	\$1.285 hr. clerks	2-7-49	Hospitalization and medical plan. Two weeks instead of 1 week's vacation after 1 year continuous service. Additional 4 weeks vacation after 25 years. One-year contract. (Oil Workers, Int'l Union, CIO)
Pan-Am Southern Corporation..... El Dorado, Ark.	WE	\$.03 hr. to \$.08 hr.	4-1-50	203	n.a.	n.a.	Special cases—9¢ to 24¢ hr. Nonexempt salaried employees granted equivalent increase pattern. Wage reopening 60 days' notice prior to 4-1-51, along with rest of contract. (Oil Workers' Int'l Union, CIO)
	S	see remarks					

A—WAGE INCREASE ANNOUNCEMENTS—APRIL 15 TO MAY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Petroleum and Allied Products (Cont'd)</i>							
Petroleum Heat & Power Co..... Stanford, Conn.	WE	\$0.05 hr.	3-12-50	160	n.a.	n.a.	(Int'l Asso. of Machinists, Ind.)
<i>Public Utilities</i>							
Arizona Edison Co., Inc..... Southern Ariz.	WE	\$.05	2-26-50	276	\$1.286 hr. weighted average	2-26-49	Contract effective for 2 years with automatic 6¢ hour increase effective 2-26-51. (Int'l Bro. of Electrical Workers, AFL)
Central Illinois Electric and Gas Company Lincoln, Ill.	S	6.5%	3-1-50	20	\$193.68 mo. average	3-1-49	Three weeks' vacation after 20 years. Wage re- opening 3-1-51 (Office Employees Int'l Union, AFL)
Dedham & Hyde Park Gas Company. Dedham, Mass.	WE S	\$0.04 hr. \$1.60 wk.	2-19-50 2-19-50	22 2	n.a. n.a.	1-1-49 1-1-49	Contract runs to 12-31-50. (UMW, Dist. 50) (UMW, Dist. 50)
East St. Louis & Interurban Water Co. East St. Louis, Ill.	WE	\$0.06 hr. across the board	8-21-49	35	n.a.	8-21-48	Wage reopening 8-21-50. (Office Employees Int'l Union, AFL)
New Jersey Power & Light Company. Dover, N. J.	WE	\$0.07 hr. average	4-1-50	427	\$1.372 weighted average	4-1-49	One additional holiday. Wage reopening 4-1-51. (Int'l Bro. Electrical Workers)
Springfield Gas Light Co..... Springfield, Mass.	WE S	\$0.04 hr. \$0.04 hr.	3-20-50 4-17-50	284 109	n.a. n.a.	n.a. n.a.	Increase granted as result of negotiations on wage reopener only. (UMW, Dist. 50) (No union)
Virginia Electric & Power Co..... Richmond, Va.	WE	4%	4-1-50	2,578	\$1.37 hr. weighted average	12-31-49	Two days off with pay for death in immediate family. Contract expires 3-31-51. (Int'l Bro. Electrical Workers, AFL)
Washington Gas Light Co..... Washington, D. C.	WE S	3.5% 3.5%	4-1-50 4-1-50	1,108 462	\$1.47 hr. \$256 mo.	4-1-49 4-1-49	(Int'l Chemical Workers, AFL) (Office Employees Int'l Union, AFL)
Wisconsin Gas & Electric Company.. Racine, Wisc.	WE	4%	1-1-50	226	\$1.61 hr.	1-1-49	Double time instead of time and a half on Sun- day. Year-end payment of 5.77% before Dec. 30, 1950. Life insurance policy of \$500 for em- ployees with over 10 years' service; premium paid by company. Wage reopening 12-31-50. (UMW, Dist. 50)
	S	4%	1-1-50	14	\$248 mo.	1-1-49	(UMW, Dist. 50)
<i>Retail and Wholesale Trade</i>							
Parke Snow, Inc..... Somerville, Mass.	WE	\$2 wk.	1-2-50	44	\$25 wk. approx. average	n.a.	Time and one half for overtime. Sick pay after 3rd day—¾ pay for 3 weeks in any one year. Wage reopening 1-2-51. (Retail Clerks Int'l Assoc. AFL)
Rice-Stix Drygoods Co..... St. Louis, Mo.	WE	\$.05	12-1-49	750	n.a.	9-1-48	Contract ends 12-1-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
John Sexton & Company..... Chicago, Ill.	WE	\$0.10 hr.	10-1-50	50	\$1.335 average rate	4-1-49	Five cents of increase retroactive to 10-1-49. Wage reopening 10-1-51. (Office Employees Int'l Union, AFL)
<i>Stone, Clay and Glass Products</i>							
*Concrete companies..... Detroit, Mich.	WE	\$0.12 hr.	5-1-50	250	\$1.75 hr.	n.a.	Additional 5¢ hr. increase effective 1-1-51 and 5¢, 5-1-51. Company to pay \$1 wk. for each workers' hospital insurance. (Int'l Bro. of Teamsters, Warehousemen & Helpers, AFL)
Joseph Dixon Crucible Co..... Jersey City, N. J.	S	\$3 wk.	1-25-50	91	n.a.	n.a.	Additional holiday. Increased company contribu- tion to welfare plan. Sixty day reopening clause prior to 1-24-51. (Office Employers, Int'l Union, AFL)
Hydraulic Press Brick Co..... Brazil, Ind.	WE	\$0.08 hr.	5-1-50	120	\$1.13 hr.	5-1-49	One-year contract, no reopening clause. (United Brick and Clay Workers, AFL)
Crawfordsville, Ind.	WE	\$0.10 hr.	4-1-50	66	\$1.10 hr.	4-1-49	Same as above
St. Louis, Mo.	WE	\$0.11 hr.	5-1-50	150	\$1.10 hr.	4-1-49	Same as above
Sparland, Ill.	WE	\$0.05 hr.	4-1-50	66	\$1.10 hr.	4-1-49	One-year contract, no reopening clause. Addi- tional 5¢ hour, 6-1-50. (UMW, Dist. 50)
National Gypsum Company..... York, Pa.	WE	\$0.015 hr.	4-15-50	98	\$0.985 hr.	4-15-49	Company-paid insurance and pension plans. One-year contract. (United Cement Lime & Gypsum Workers, AFL)
Pittsburgh Plate Glass Co..... Houston, Tex.	WE	\$.05	3-11-50	55	\$1.18 hr.	1-1-50	Contract expires 3-11-51. (UMW, Dist. 50)
<i>Textiles</i>							
Bradford Dyeing Association (USA). Bradford, R. I.	WE	\$0.01 hr. to \$0.10 hr.	n.a.	540 approx.	n.a.	n.a.	Maximum surgical insurance increased from \$150 to \$200—extended to include dependents. Maxi- mum in-hospital medical insurance for employee increased to \$210. Applies to all employees. (Textile Workers, CIO)
		\$0.015 hr. to \$0.025 hr.	n.a.	86	n.a.	n.a.	(No union)
	S	\$1.00 wk. to \$2.50 wk.	n.a.	130	n.a.	n.a.	(No union)

A—WAGE INCREASE ANNOUNCEMENTS—APRIL 15 TO MAY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Textiles (Continued)</i>							
Columbus Coated Fabrics Corporation	WE	\$.08 hr.	4-3-50	600	\$1.05 hr.	3-7-49	Wage reopening, 4-3-51 and 4-3-52. (Textile Workers, CIO) (No union)
Columbus, O.	S	\$.08 hr.	3-7-50	75	n.a.	n.a.	
<i>Transportation</i>							
*Central Greyhound Lines..... Interstate	WE	see remarks	n.a.	1,100 drivers 900 maintenance and terminal	n.a.	n.a.	Two-year contract; announced 4-30-50. Mileage rate for drivers increased one mill per mile for first year and half mill the second. Drivers first-year maximum would be 6.45¢ per mile; maintenance and terminal workers received 2¢ hour raise for first year and 1¢ for second. (Amal. Assoc. of Street Electric Railway and Motor Coach Employees, AFL)
Mid-Continent Airlines, Inc..... Kansas City, Mo.	S	see remarks	4-1-50	64	see remarks	3-1-49	Increases ranging from \$5 for over 6 months' and less than 12 months' service to \$15 for 6 years. Previous rates range from \$180 for first six months of service to \$240 for 6th year. Meal allowance for hostess when away from base station increased from \$3.65 to \$3.90 day. Maximum flying hours per month reduced from 90 to 85. Wage reopening 3-1-50. (Air Line Stewards and Stewardesses Assoc. Int'l, AFL)
Reading Street Railway..... Reading, Pa.	WE	\$.05 hr.	1-1-50	100	\$1.39 hr. \$1.29 hr. \$1.12 hr.	1-1-49	Double time instead of time and a half for work on 3 holidays. Two cents hour for wash-up time. Wage reopening 5-1-51. Contract expires 7-1-51. (Int'l Assoc. of Machinists, Ind.)
<i>Miscellaneous</i>							
The Hudson Coal Co..... Scranton, Pa.	WE	\$.10 hr.	3-16-50	140	various	7-16-48	Wage reopening 4-1-51. (UMW, Dist. 50)
*Minneapolis Star & Tribune..... Minneapolis, Minn.	WE	\$.02 hr.	n.a.	n.a.	\$2.50 hr. day work \$2.60 hr. night work	n.a.	Increase for both day and night shifts. (Int'l Stereotypers' and Electrotypers', AFL)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Chemicals and Allied Products</i>				
American Cyanamid Co.	WE	n.a.	2,342	Saturday premium increased from 20¢ to 30¢ hour. Three weeks' vacation for 15 years of continuous service and 4 weeks for 25. Wage reopening 1-31-51. (Int'l Chemical Workers, AFL)
Calco Chemical Div. Bound Brook, N. J. Linden, N. J.	WE	n.a.	1,000	
<i>Metal Manufactures</i>				
*Chrysler Corporation.	WE	5-4-50	89,000	Three-year contract; reopening by either party after 7-1-51 and 7-1-52. Monthly maximum pension of \$100 month, including Social Security, at age 65 with 25 years' service. Proportionate pensions for workers at age 65 with 10 or more years' service. Workers retiring at age 60 to 64 with 25 years' service will receive lesser pensions. Plan financed entirely by the company. Contributory health and hospitalization insurance plans and life insurance and disability benefits. No across-the-board wage increases but some wage differentials were eliminated. Vacation allowances increased. Pension program effective 8-1-50; benefits becoming payable 9-1-50. (UAW, CIO)
Detroit, Mich.				
Grand Haven Brass Foundry.	WE	2-20-50	150	Six paid holidays. Extra week's vacation with pay for those having five or more years of seniority. Contract may be reopened for wages at any time. (UAW, AFL)
Grand Haven, Mich.				
Lufkin Rule Company.	WE	7-1-50	n.a.	Retirement pensions of \$100 month, including Social Security, at age 65. Credit for past service continues to age 68. Reduced benefits for less than 25 years of service. Company's entire liability is discharged at the payment of 7½¢ per hour worked. Plan covers hourly workers. Two and a half cents hour for insurance. Wage reopening 2-1-51, if desired. (UAW, CIO)
Saginaw, Mich.				
Oakland Foundry & Machine Co.	WE	n.a.	n.a.	Hospitalization and \$1,000 life insurance for all employees with optional hospitalization for dependents at a cost of \$4.26 per month. (UAW, AFL)
Rochester, Mich.				
A. O. Smith Corporation.	WE	7-31-50	n.a.	Certain rate ranges expanded 5¢, to be used for merit increase only. Six paid holidays and 3 weeks' vacation for employees with 15 years' continuous service. (Int'l Assoc. of Machinists, Ind.)
Milwaukee, Wis.				

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Metal Manufactures (Continued)</i>				
Wickwire Brothers, Inc..... Cortland, N. Y.	WE	10-1-49	900 approx.	Paid holidays increased to six. Noncontributory life, health and accident insurance. Company contributes to pension fund. Contract expires 10-1-51. (United Steelworkers, CIO)
<i>Public Utility</i>				
Bridgeport Gas Light Company..... Bridgeport, Conn.	WE	n.a.	n.a.	Company-union administered pension plan giving maximum benefits of \$40 per month after age 65, exclusive of Social Security, after twenty years' service. Cut back for less service. Wage reopening 1-15-50. (UMW, Dist. 50)
Portland Gas & Coke Co..... Portland, Ore.	WE	1-1-50	225	Noncontributory pension plan. Increased rates for telephone switchboard operators. Swing shift and graveyard shift differentials increased from 4¢ and 7¢ to 7¢ and 10¢ respectively. Wage reopening 11-1 every year. (Int. Chem. Workers, AFL)
Providence Gas Company..... Providence, R. I.	S	1-1-50	225	(Office Employees Int'l Union, AFL)
	WE	n.a.	576	Maximum group life insurance increased from \$1,000 to \$3,000. Individual surgical care membership paid. Two weeks' vacation after 2 years instead of 5. Three weeks after 15 years instead of 18. Modification of retirement plan. Contract expires 12-31-50. (UMW, Dist. 50)
Terre Haute Gas Corporation..... Terre Haute, Ind.	S	n.a.	276	(No union.)
	WE	3-1-50	n.a.	One-year contract. Annual sick leave increased from 10 days to 14. (UMW, Dist. 50)
<i>Stone, Clay and Glass Products</i>				
A. H. Hews & Co., Inc..... Cambridge, Mass.	WE	n.a.	n.a.	Under profit-sharing plan, an additional bonus of \$2 week will be paid. Pension plan of \$125 month including Social Security. (Nat'l Bro. of Operative Pot- ters, AFL)
National Gypsum Co..... Bellefonte, Pa.	WE	4-1-50	165	Company-paid insurance and pension plans. One additional paid holiday. (United Cement Lime and Gypsum Workers, AFL)
<i>Textiles</i>				
American Dyeing Corp..... Rockville, Conn. and Bellefont Dyeing Corp. Fiskdale, Mass.	WE	3-19-50	350 approx.	One additional holiday. Improved insurance benefits; \$22 weekly indemnity for 26 weeks instead of \$17 for 13 weeks. Employees' hospitalization benefits increased \$1.50 a day; dependents \$2.00. Adjustment of individual wage rates. (Textile Workers, CIO)
Bellman Brook Bleachery Co..... Fairview, N. J.	WE	4-50	n.a.	Increased hospital and surgical benefits. (Textile Workers, CIO)
Haartz-Mason, Inc..... Boston, Mass.	WE	3-8-50	213	Wage reopening 3-8-51. Three additional paid holidays. \$500 increase in death benefit in group insurance plan at company expense. (Rubber Workers Federal Labor Union, AFL)
<i>Miscellaneous</i>				
Building Contractors & Mason Builders Association New York, Nassau, and Suffolk Counties	WE	6-1-50	8,000	Pension fund to start 1-1-51. Builders to pay 10¢ an hour into fund for each bricklayer employed. Contract expires 5-31-52. (Bricklayers, Masons and Plasterers Int'l Union, AFL)
Hinde & Dauch Paper Co..... Gloucester, N. J.	WE	n.a.	281	Some wage and vacation adjustments. Third shift differential increased from 7.5¢ hr. to 10¢. Wage reopening once during the contract year. (United Paper Workers, CIO)
Ladish Company..... Cudahy, Wis.	WE	4-11-50	1,070	Pay for 5 holidays not worked, with certain eligibility requirements. Group life insurance of \$2,000 available for each eligible employee—net premium to be paid by company. Wage dividends for 1950 and 1951 over and above regular rates range from 2% for 2 years' service to 4% for 10. Contracts effective until 9-30-51. Wage reopening 1-15-50. (Int'l Assoc. of Machinists, Ind.; Int'l Bro. of Blacksmiths, Drop Forgers and Helpers, AFL)
		4-6-50	750	
*Lee Rubber and Tire Co..... Akron, O.	S	4-11-50	600	
	WE	n.a.	n.a.	Noncontributory pension of \$100 month minimum, including Social Security, for employees retiring at 65 with 25 years' service. Proportionate amounts for less service. Minimum disability pension of \$50 month after 15 years' service with \$1 month added for each year of service up to a total of \$60 month. Also sickness and accident insurance. (United Rubber, Cork, Linoleum, and Plastic Workers, CIO)
National Biscuit Co..... San Antonio, Tex.	WE	10-1-49	16	Two weeks' vacation after 3 years' service—formerly 2 weeks' after 5. Driver-salesmen receive an additional ½ of 1% commission on sales over \$800. Driver-salesmen's guarantee increased \$2.50 to \$47.50 per week. Contract expires 10-1-51. Wage reopening for garage employees 10-1-50. (Int'l Bro. Bro. Teamsters, AFL)
*National Surety Corporation..... New York, N. Y.	WE	4-1-50	n.a.	Liberalized pension program. Will provide average employee with approximately 40% of his final years' annual compensation, exclusive of Social Security, as a yearly pension. Plan expanded to include greater number of employees
Portland Traction Company..... Portland, Ore.	WE	4-1-50	1,000	Three weeks' vacation after 15 years of service instead of 20 years. \$1,500 group life insurance with sick benefits of \$30 per week for 13 weeks, previously \$1,000 insurance and \$20 sick benefits. Employees pay 50% of premiums. Wage reopening 4-1-51. (Amalgamated Assoc. of Street, Electric Railway & Motor Coach Employees, AFL)
	S	4-1-50	250	(Amal. Assoc. of Street, Electric Railway and Motor Coach Employees, AFL)
Stratton Warren Hardware Co..... Memphis, Tenn.	WE	4-1-50	112	Three weeks' paid vacation instead of 2 to employees with 25 years' service or more. Company's bonus plan of 2 weeks' additional salary in December and in May now included in contract. Wage reopening upon thirty days' written notice. (United Steelworkers, CIO)

C—No Change in Wage Structure

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
Bekins Van & Storage Company..... Phoenix, Ariz.	WE	4-1-50	16	Wage reopening 4-1-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)

D—Wage Decrease

Company	Type of Worker ¹	Amount	Decrease		Remarks
			Date Effective	Number Affected	
*Steuben County Employees..... Bath, N. Y.	S	see remarks	4-15-50	150 approx.	Cut of 50¢ month resulting from semiannual readjustment of county salaries in line with Bureau of Labor Statistics cost of living index

¹Type of worker: WE, wage earner; S, salaried employees.

*Obtained from press reports—information not verified.

n.a. Not available.

NATALIE E. FRIEDMAN

Statistical Division

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In the Record

How to Give Painlessly—Almost

They're all good causes. They should be supported. But how often can you dig into the back pocket and come up with a buck? Last week, today, next month—where's the end to the thing?

As individuals, most of us have to draw the line somewhere. And it's not too different with a company. The time and money involved for a company to cooperate in individual charity drives can run pretty high.

Some firms have come up with an answer—the all-in-one charity fund. How it's handled, what charities are included, the amount allocated to each charity, how much individual employees give—all these can be decided by the particular company. Details of the centralized-fund plans of fourteen cooperating companies are given in the story starting on page 254.

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H.C.L.—It's Climbing Again

A discouraging note to consumers (and we are all consumers) is the increasing tempo of the advance in prices for cost of living items. Food, particularly, has jumped under the combined influence of government price support, heavy consumer demand, and shorter crops expected for some basic commodities. These price increases may work toward wage increases. On the other hand, resumption of overtime and shift operations at premium rates may more than offset higher living costs for many workers, particularly in automotive, steel and other durable goods plants. Evidence of a longer average work week is already showing up in government statistics. Articles and tables prepared by members of the Statistical Division beginning on pages 266, 270, and 271 explore the closely related areas of price and wage trends.

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Trend to Stability?

In a world prone to produce surprises at least every other day, and where nobody seems too sure that the whole planet won't blow itself to bits by maybe next week, stability becomes a pretty precious item.

Of course, one doesn't actually have to believe that the trend to longer-term union contracts, as reported by Harold

Stieglitz and Phyllis Syetta, is going to solve anywhere near all the world's problems but it is nice to know that General Motors and the UAW are looking ahead to five years of amicable relations, as witness their contract. And that other five-year contracts have followed this pace setter. Observers view this trend, to quote the article, as "a harbinger of better industrial relations."

"The Shift to Longer-Term Contracts" starts on the next page.

• • •

Point Score for Executive Positions

What makes one executive position worth more than another? And how can you know for sure? Tricky questions, but one company found the answers for fair and foolproof evaluation of its over-\$7,500-a-year jobs.

In the case study of S. C. Johnson & Son, Inc., on page 260, ten aspects, or "factors," of corporate administrative activity are defined and broken down into elements of degree and scope of responsibility. By applying the table of point values, every job is scored and then fitted into its salary group.

The case study shows exactly how the system is administered to eliminate the guesswork in evaluating the positions held by Johnson's vice-presidents, operating division heads and department heads.

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Dues or Assessment?

If a local union votes to raise its dues for six months in order to meet an assessment levied by its national office, is it dues or is it an assessment? The question is important to the employer who has to check off this extra amount. A recent arbitration award made in just such a case is reported in "Trends in Labor Relations."

Another item of interest is the new back-pay formula set up by the NLRB: making restitution to workers discharged in unfair labor practice cases will now prove more costly to employers. This and other new developments in the field of labor relations are also reviewed on pages 264 and 265.

The Shift to Longer-Term Contracts

THE GENERAL MOTORS' UAW-CIO agreement running for five years has had immediate repercussions. The CIO's International Union of Electrical Workers signed a similar agreement with General Motors Electrical Division and, shortly after that, the CIO Brewery Workers signed a five-year contract—complete with annual improvement factors—with a Detroit brewers association. More recently, the General Electric Company offered a five-year pact, with reopenings, to the UE and IUE.

The sudden shift to five-year labor contracts tops off a trend that has been in the making for the past year—the move to contracts of longer duration. While one-year contracts are still most prevalent, contracts of two years and longer are being signed more frequently. Among 306 new agreements analyzed by THE CONFERENCE BOARD, 53.6% are of one year's duration or less; 46.4% run for longer than one year. The latter figure includes three contracts that run for five years. By comparison, among 313 contracts signed in 1947 and 1948, shortly after the Taft-Hartley Act went into effect, 75.4% were entered into for one year or less; only 24.6% were of more than one year's duration. Only one of the 313 contracts ran for as long as three years.¹

Not only are contracts running for longer terms, but fewer of them provide for reopening. Among the 164 contracts that run for one year or less, 23.2% provide for reopening or renegotiation during the life of the contract. Among the 142 that run for longer than one year, 62% provide for reopenings. Among the 1947 contracts analyzed, reopenings were called for in 39% of the one-year-or-less contracts and in 80.5% of the longer-than-one-year contracts.

BETTER INDUSTRIAL RELATIONS?

The trend toward longer contracts is viewed by observers as a harbinger of better industrial relations. Since reopenings, when provided, in most cases cover only bread and butter items, the working relationships covered by the rest of the contract have a longer period to stabilize.

Known preferences of business and labor leaders on duration of contract they like to sign also support the view that longer contracts mean better relations. Many company representatives like contracts that run for two years or longer. The greater stability given by the long-term contract and the time saved in avoiding repetitious negotiations are the chief ad-

¹See "Union Contracts Since the Taft-Hartley Act," *Studies in Personnel Policy*, No. 94, THE CONFERENCE BOARD, Table 16, p. 52.

vantages they see in the long-term pact. Labor leaders, too, have stated that they are more willing to sign longer contracts with the company where they have enjoyed good relations.¹ One large eastern department store, whose two-year contract still had a year to run, has just extended the contract for another two-year period. Instead of the contract terminating in 1951, it will now terminate in 1953. The opportunity this presented to further improve and stabilize union-management relations was the prime reason why the negotiators agreed to the longer-period contract, according to the labor relations manager.

FACTORS BEHIND THE TREND

For union leaders, however, there is an additional tactical problem involved in signing long-term contracts in which both economics and politics—union and national—play a part. On the one hand, some union leaders prefer the more flexible short-term contracts because of the dynamics of the economy. Those that are willing to sign longer contracts hedge by insisting on annual reopenings, usually on pay items.²

On the other hand, when economic conditions stabilize, or when the particular industry's or firm's profit picture doesn't allow for further wage increases, labor leaders are willing to forego the short-term contract as well as the reopening. For them, it is politically unwise to go to the bargaining table and come back empty handed. They preclude that possibility when they sign longer-term contracts without reopenings. Union leaders also view the longer contract as a deterrent to possible "raids" by rival unions.

The Consumers' Price Index

In that respect, consumers' price indexes provide an important barometer for the labor leader in determining what the wage-hike prospects are. From June, 1947, to June, 1948, the period during which the first group of contracts analyzed were signed, the NICB Consumers' Price Index was very active; it went from 151.1 (June, 1947) to 164.5 (June, 1948)—a jump of 13.4 points. Of the 313 contracts signed during that period, only 24.7% ran for more than one year.

The second group of 306 contracts, of which 46.4% run for longer than one year, were signed between September, 1949, and June, 1950. During that period,

¹"Labor and Management Look at Collective Bargaining," Chapter 3, *Duration of Contracts*, pp. 37-52, The Twentieth Century Fund, 1949.

²*Ibid.*

the NICB index was comparatively lethargic: it went from 162.1 (September, 1949) to 161.0 (May, 1950)—a dip of 1.1 points. The BLS index shows comparable changes for those two periods.

Taft-Hartley—and Other Considerations

Another consideration that may have affected the shift to longer contracts is the comparative status of the Taft-Hartley Act during the two periods when the contracts analyzed were signed. Three years ago, the Taft-Hartley Act had been newly inaugurated. Labor leaders then signed short-term contracts with high hopes that any restrictions in their contracts brought about by the Taft-Hartley Act would be dropped with its early repeal.

This thought was especially evident when AFL President William Green, following the 1948 Democratic election victory, urged unions to sign or renegotiate agreements so as to limit them to the life of the law.¹ During the past year, however, union leaders have come around to the belief that prospects for changing the Taft-Hartley Act to their liking may be fairly remote.²

While these may be the underlying factors that have influenced labor leaders to sign longer contracts, a

¹See "Labor Press Highlights—Hedge Interim Contracts: Green," *The Management Record*, December, 1948, p. 593.

²A recent organizing conference of the AFL Retail Clerks was told "remedial" changes in the Taft-Hartley Act are unlikely, and organizing campaigns would have to be planned accordingly.

more immediate consideration for the negotiators has been the competitive position of the industry and the level of wages already reached. For example, a major consideration behind the signing of the five-year brewery contract, according to a spokesman for that group, was the fact that wages had already reached a high level. Competition was keen and both parties recognized that a contract was needed that would help stabilize operations.

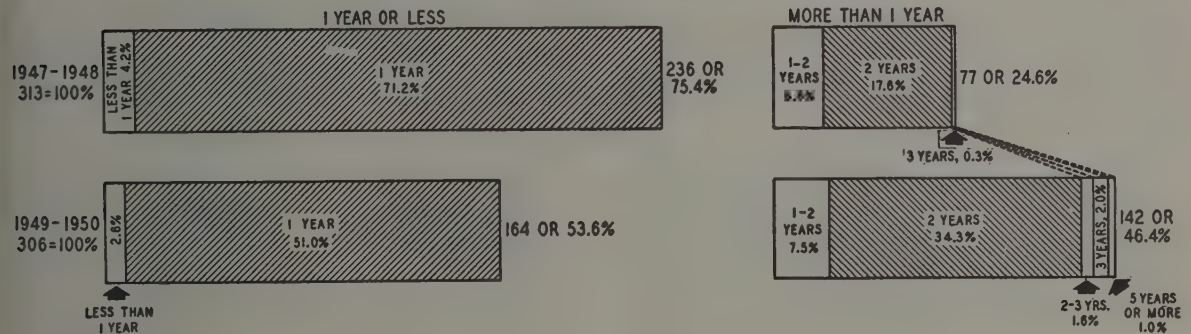
CONTRACT LENGTHS: UNION PATTERNS

Against this background of possible factors affecting the term of the contract signed, Table 2 shows that AFL unions included in this sample negotiated more two-year contracts than did CIO unions: 44 to 33. And about half of the AFL two-year contracts provide reopenings whereas three fourths of the CIO contracts have this stipulation. In the independent group, which includes the large Machinists union as well as left-wing unions recently ejected from the CIO, almost half the two-year contracts provide no wage reopening.¹

Among specific unions, Walter Reuther's CIO Automobile Workers seem to lead in signing longer contracts: of the twenty-six UAW agreements in-

¹Contracts being discussed are the basic agreements, not the pension plan appended to the basic agreement. The pension plans being adopted have separate termination as well as separate reopening dates. In practically all agreements, the pension plan runs for five years.

Union Contracts Are Running Longer



... And Fewer Provide Reopenings

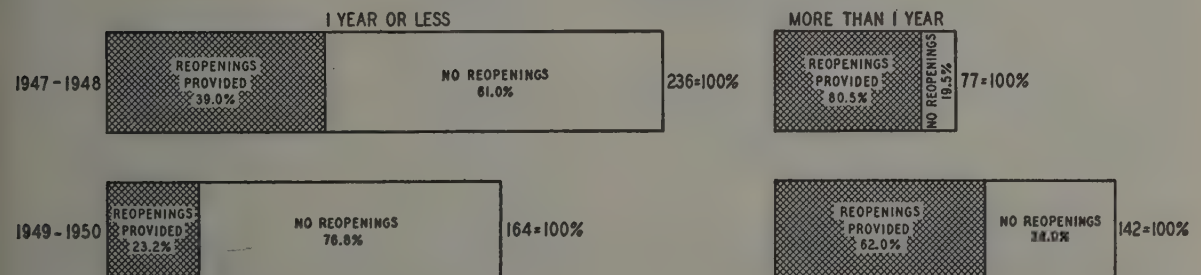


Table 1: Analysis, by Union, of Duration of 306 Contracts

	Total		Less than 1 Year	1 Year	1-2 Years	2 Years	2-3 Years	3 Years	5 or More Years
	No.	%							
Total contracts.....	306	100.0	8	156	23	105	5	6	3
<i>Total AFL unions.....</i>	<i>118</i>	<i>38.6</i>	<i>5</i>	<i>59</i>	<i>6</i>	<i>44</i>	<i>2</i>	<i>1</i>	<i>1</i>
Auto Workers (UAW-AFL).....	9	2.9	..	2	1	6	..	..	..
Chemical Workers.....	10	3.3	1	6	1	2	..	..	..
Electrical Workers.....	11	3.6	1	6	..	3	..	1	..
Grain Millers.....	3	1.0	1	1	..	1	..	..	..
Meat Cutters and Butcher Workmen.....	5	1.6	..	2	..	3	..	..	..
Office Employees.....	11	3.6	1	5	1	4	..	..	..
Paper Makers.....	5	1.6	1	1	1	2	..	..	..
Pulp, Sulphite and Paper Mill Workers.....	4	1.3	..	3	..	1	..	..	..
Street, Electric Railway and Motor Coach Employees.....	7	2.3	..	5	1	1	..	..	..
Teamsters.....	7	2.3	..	3	..	4	..	..	..
Other AFL unions.....	46	15.0	..	25	1	17	2	..	1a
<i>Total CIO unions.....</i>	<i>112</i>	<i>36.6</i>	<i>3</i>	<i>57</i>	<i>11</i>	<i>33</i>	<i>3</i>	<i>3</i>	<i>2</i>
Auto Workers (UAW-CIO).....	26	8.5	..	10	..	10	3	2	1
Brewery, Flour, Cereal, Soft Drink Workers.....	3	1.0	..	1	1	..	..	..	1
Gas, Coke and Chemical Workers.....	6	2.0	..	5	..	1	..	..	..
Oil Workers.....	8	2.6	1	5	2	..	..	..	..
Packinghouse Workers.....	6	2.0	..	6	..	..	..	..	..
Paperworkers.....	7	2.3	..	6	1	..	..	..	..
Rubbery, Cork, Linoleum and Plastic Workers.....	3	2.6	..	6	2	..	..	..	..
Steelworkers.....	22	7.2	1	3	3	15	..	..	..
Textile Workers.....	9	2.9	1	3	1	3	..	1	..
Utility Workers.....	4	1.3	..	3	..	1	..	..	..
Other CIO unions.....	13	4.2	..	9	1	3	..	..	..
<i>Total independents.....</i>	<i>76</i>	<i>24.8</i>	..	<i>40</i>	<i>6</i>	<i>28</i>	..	<i>2</i>	..
Electrical Workers (UE).....	6	2.0	..	2	2	2	..	..	..
Food, Tobacco and Agricultural Workers.....	3	1.0	..	3	..	..	..	..	..
Machinists.....	12	3.9	..	5	1	6	..	..	..
Mine, Mill and Smelter Workers.....	7	2.3	..	5	1	1	..	..	..
United Mine Workers.....	4	1.3	..	1	..	3	..	..	..
United Mine Workers, Dist. 50.....	15	4.9	..	13	..	2	..	..	..
Office and Professional Workers.....	4	1.3	..	1	..	3	..	..	..
Other independent unions.....	25	8.2	..	10	2	11	..	2	..

aRetail Clerks International Association, AFL.

cluded in the sample, ten are for two years, five are for two to three, and one (the GM agreement) runs for five years. On the other hand, six out of nine AFL auto worker contracts in the sample run for two years; none is longer.

The CIO Steelworkers, with twenty-two contracts in the sample, have fifteen that run for two years; four out of seven AFL Teamster contracts run for two years, as do six out of twelve contracts of the independent International Association of Machinists. The CIO's Rubberworkers and Oilworkers have no two-year contracts in this sample.

In some cases, unions in the same industry follow different practices. Of five AFL Meat Cutters and Butcher Workmen contracts, for example, three run for two years. But all six CIO Packinghouse Workers' contracts run for only one year.

The situation is similar in the paper industry: three out of nine AFL Paper Makers and AFL Pulp, Sulphite and Paper Mill Workers' contracts run for two years; none of the seven CIO Paperworker contracts is that long. (See Table 1.)

CONTRACT REOPENINGS

The reopening provisions incorporated into 126 of the 306 contracts studied are most often restricted

Table 2: Duration and Reopening Provisions in 306 Contracts

	Total		AFL	CIO	Ind.
	No.	%			
Total contracts.....	306	100.0	118	112	76
Less than 1-yr. contracts.....	8	2.6	5	3	..
Reopening any time.....	2	.7	1	1	..
No reopening.....	6	2.0	4	2	..
1-yr. contracts.....	156	51.0	59	57	40
Reopening less than 1 yr.....	15	4.9	2	9	4
Reopening any time.....	21	6.9	6	9	6
No reopening.....	120	39.2	51	39	30
1-yr.-2-yr. contracts.....	23	7.5	6	11	6a
Reopening less than 1 yr.....	10	3.3	2	4	4
Reopening any time.....	3	1.0	1	2	..
No reopening.....	10	3.3	3	5	2
2-yr. contracts.....	105	34.3	44	33	28
Reopening less than 1 yr.....	8	2.6	4	4	..
Reopening after 1 yr.....	50	16.3	16	21	13
Reopening any time.....	7	2.3	4b	1	2
No reopening.....	40	13.1	20	7	13
2-yr.-3-yr. contracts.....	5	1.6	2	3	..
Reopening less than 1 yr.....	1	.3	1	..	..
Reopening after 1 yr. or yearly	4	1.3	1	3	..
3-yr. contracts.....	6	2.0	1	3	2
Reopening less than 1 yr.....	1	.3	..	..	1
Reopening yearly.....	3	1.0	1	1	1
No reopening.....	2	.7	..	2	..
5-yr. or longer contracts.....	3	1.0	1	2	..
Reopening yearly.....	1	.3	1	..	..
No reopening.....	2	.7	..	2	..

aOne contract can only be reopened with consent of committee; another only after the reduction of work hours—for a wage scale revision.

bOne contract will only be reopened if war is declared.

to money matters. As shown in Table 3, however, fourteen contracts carry a clause that provides for renegotiation or amendment of any provision of the contract—but only by mutual consent of both parties. The other contracts specifically provide for reopen-

Table 3: Provisions Covered by Reopenings in 126 Contracts

	Total		AFL	CIO	Ind.
	No.	%			
Total reopenings.....	126	100.0	41	54	31
Wages only.....	89	70.6	26	38	25
Wages, insurance, and/or pensions.....	10	7.9	3	7	..
Wages and any other provision.....	8	6.3	2	2	4
Pensions only.....	5	4.0	2	3	..
Any provision ¹	14	11.1	8	4	2

¹These are standard clauses that provide for amendment or negotiation of any provisions by mutual consent of both parties. All fourteen occur in one-year contracts.

ing on wages only (89), wages and insurance or pensions (10), wages and any other provision (8), or pensions only (5).

As has already been noted, the reopenings occur more frequently in long-term contracts. For example, of the 105 two-year contracts, sixty-five provide reopening; all five of the two- to three-year contracts provide reopening; and four of the six three-year contracts provide reopening. The two five-year contracts that do not provide reopening compensate by allowing annual improvement factors and cost of living increases.

THE PATTERN-SETTING AGREEMENTS

Actually, the termination or reopening dates written into a union contract are not the sole determinant

(Continued on page 274)

Table 4: Detailed Analysis of Duration and Reopening Provisions of 306 Contracts (Contracts Signed Between September, 1949, and June, 1950)

Contract Duration and Renewal Provision	Total		Reopening						No Reopening
	No.	%	Total Reopening	Once After Less than 1 Year	Once After 1 Year and Less Than Periodically Thereafter	Once After 1 Year	Yearly	Any Time	
Total.....	306	100.0	126	29	5a	52	6	34	180
Less than 1 year									
No renewal.....	3	1.0	1	..	..	..	..	1	2
Year-to-year renewal.....	5	1.6	1	..	..	..	..	1	4
Total.....	8	2.6	2	..	..	..	..	2	6
1 year									
No renewal.....	26	8.5	9	1	..	..	..	8	17
Year-to-year renewal.....	119	38.9	24	11	..	..	..	13	95
2-year renewal.....	1	.3	1	..	..	..	..	1	..
Until notice of termination.....	10	3.3	2	2	..	..	..	..	8
Total.....	156	51.0	36	14	..	..	..	22	120
1-2 years									
No renewal.....	3	1.0	1	1	..	..	..	..	2
Year-to-year renewal.....	18	5.9	11	6	2	..	..	3	7
Until notice of termination.....	2	.7	1	1	..	..	..	..	1
Total.....	23	7.5	13	8	2	..	..	3	10
2 years									
No renewal.....	25	8.2	19	3	..	15	..	1	6
Year-to-year renewal.....	64	20.9	34	3	1	25	1	4	30
2-year renewal.....	6	2.0	4	1	..	2	..	1	2
Until notice of termination.....	10	3.3	8	..	..	7	..	1	2
Total.....	105	34.3	65	7	1	49	1	7	40
2-3 years									
No renewal.....	2	.7	2	..	1	..	1	..	..
Year-to-year renewal.....	3	1.0	3	..	..	3	..	..	..
Total.....	5	1.6	5	..	1	3	1	..	..
3 years									
No renewal.....	3	1.0	3	..	1	..	2	..	..
Year-to-year renewal.....	1	.3	1	..	..	..	1	..	..
2-year renewal.....	1	.3	..	..	..	..	..	..	1
Until notice of termination.....	1	.3	..	..	..	..	..	..	1
Total.....	6	2.0	4	..	1	..	3	..	2
5 and more years									
5 years—No renewal.....	1	.3	..	..	..	..	..	..	1
5 years—Year-to-year renewal.....	1	.3	..	..	..	..	..	..	1
5½ years—No renewal.....	1	.3	1	..	..	..	1	..	..
Total.....	3	1.0	1	..	..	..	1	..	2

aOne contract states twice a year.



Harried by the Collection Can Brigade? Some Firms Are Trying . . .

All-in-One Charity Funds

DICK, here's another request for our help in collecting employee donations. This time it's the ABC Charity Drive. What do you want to do about it?"

"I don't know, George. These charity and welfare drives are beginning to pile up. I hate to turn 'em down, but I guess we may have to. We can't be promoting five or six fund drives each year. I think the boys in the plant are beginning to resent all these appeals. And besides, it takes a lot of time and money."

Dick and George are probably not the only executives concerned with this problem today. The list of national and local charity and welfare organizations seeking solicitations from employees at their places of work is growing.

In terms of community relations and the public interest, companies undoubtedly want to do all they can to help. But a company's cooperation frequently entails special management and employee assignments, plant meetings and rallies, preparation of posters and pledge cards, and special pay-roll deductions. The organization and administration of such campaigns may result in production losses and frequent annoyance to employees. Yet, many companies feel that refusing to cooperate with charity drives is also undesirable.¹

CENTRAL CHARITY FUNDS

A compromise solution adopted by a number of companies is a single central fund through which employees may contribute to the major recurring charitable and welfare appeals in the community. Usually such plans include these features:

- • A committee of employee representatives is appointed or elected to serve as the administrator of the

¹For a survey of company practices on permitting solicitation of employees for charitable purposes during working hours, see "Personnel Practices in Factory and Office" (Revised), *Studies in Personnel Policy* No. 88, THE CONFERENCE BOARD, March, 1948, Tables 95 and 200.

fund. Several management representatives may also participate.

- • Individual employees authorize a weekly or monthly amount to be deducted from the regular paycheck. On the pledge card, employees may designate the specific charities for which their contributions are to be earmarked, or disbursements can be left to the discretion of the fund's administrators. (An alternative to the pay-roll deduction method is the "Saturday Morning for Charity" idea discussed below.)

- • Employees are approached only once a year at the time of the annual central fund drive. New employees are asked to join as they start work with the company. No other in-plant charity solicitations are permitted.

- • Corporate donations are usually made separately.¹

A Conference Board survey of some twenty-five central fund plans shows an enthusiastic endorsement of them by both employees and management. Details of the centralized plans in fourteen of the cooperating companies follow.

UNION-MANAGEMENT ADMINISTERED FUND

The idea of a federated in-plant charity fund occurred to the management of the Allen Manufacturing Company of Hartford, Connecticut, during the war, when new solicitations were occurring at a rapid pace. It was not until 1947, however, that the union-management general committee decided by unanimous vote to end individual solicitations and set up a charity fund.

Allen's Charity Fund is administered by the labor-management general committee composed of four labor representatives and four management representatives (two foremen, a plant superintendent, and a vice-president). A system of pay-roll deductions is used to collect the funds. Hourly-rated employees

¹For further information on corporate donation policies, see "Company Policies on Donations," *Studies in Business Policy* No. 7, THE CONFERENCE BOARD, 1945.

and office clerical workers contribute ten cents weekly. The contributions of foremen and executives are based on a sliding scale, according to earnings. Eight charities are currently receiving support from the fund. The amount disbursed to each charity by the committee on behalf of Allen employees is determined by two factors: current needs of the particular charity based on its local goal, and the money available in the charity fund.

To make sure that the annual disbursements of the committee were in keeping with the wishes of the majority of employees, a questionnaire survey was conducted by the Allen Company in March of this year. Employees were asked, "How would you like your charity dollar given out?" An open-end list of charities was given to each employee. The survey showed that employees were in general agreement with the tentative disbursement budget of the labor-management committee, but they did prefer to give additional support to some charities not included in the Hartford Community Chest. Based on these results, the committee revised some of its figures to reflect employee wishes more closely.

A large majority of employees responded favorably to two further questions included in the attitude survey: (1) "Do you think the Charity Fund is well handled?" (2) "Are you being told enough about what happens to your contributions?"

An executive of the Allen Manufacturing Company points out a possible hazard in setting up a federated

fund of the type used by his company. The employees may lose interest in the charity agencies individually and take the fund for granted, so that they become ignorant of what the charities, as individual organizations, are trying to accomplish. This can be overcome, he believes, by keeping employees constantly advised of fund disbursements and agency services through the company house organ and other communication media.

PLAN SUCCESSFUL FOR EIGHT YEARS

Eight years of successful experience with its Combined Charities Campaign is cited by the Fidelity Mutual Life Insurance Company of Philadelphia. Each fall, the campaign committee members decide on the charities to be included in the drive. Employees are asked to designate how their annual pledge is to be allocated among these charities. Any unallocated amounts are divided among the selected charities by the committee. Each charity receives an amount based on the ratio of its local goal to the combined amount asked for locally by the charities included in the campaign.

Each employee is given a campaign pledge card with an amount suggested for the twenty-four annual pay-roll deductions. The suggested deduction follows a sliding scale, so all employees may feel they are giving their proportional share.

Several key factors are highlighted by the company as contributing to the plan's success:

HOW 25 COOPERATING EXECUTIVES EVALUATE CENTRAL FUNDS FOR EMPLOYEE CHARITY DONATIONS

Possible Advantages

- Frees the company of periodic support of time-consuming and costly solicitations.
- Frees employees of annoyance of frequent solicitations.
- Establishes a contribution pattern by which an employee may judge the extent of his obligation.
- Provides an additional area for employee experience in organization and planning with a minimum of employer participation. This is valuable for employee education and morale building.
- Usually results in larger charity donations and wider employee participation than separate charity campaigns.
- Allows a greater number of charities to be beneficiaries. Enables employees to contribute to drives not otherwise supported on company premises.
- Small regular donations are hardly felt by the employee but, in the aggregate, are impressive. When separate solicitations are used, an employee may give nothing because of cash-in-pocket shortages, or because his individual contribution may appear too modest.

• Provides a fund which, if sufficiently large, can also be used for emergency aid to employees if no other mutual benefit association exists.

Possible Disadvantages

- Some employees may feel that they are being coerced into charity giving, even though donations are considered "voluntary."
- May involve losses in direct production time due to added pay-roll deductions, central fund accounting, trustees' meetings, etc.
- Employees' take-home pay is already reduced by a variety of pay-roll deductions.
- Unless a sliding scale basis for contributions is suggested, employees with lower weekly earnings might feel they are giving more, proportionately, than others.
- May place undue disbursement powers in hands of trustees. Disbursements may not reflect employee wishes.
- May inhibit employees from making separate contributions to local charities which sponsor a particular needy cause between the annual pledge periods.

- Top management support and interest in the annual campaign drive.
- Complete detailed explanation of the plan to all employees, repeated in modified form each year for the benefit of new employees and to refresh the memories of older employees.
- Annual interdepartmental competition to stimulate interest at campaign time. Suggested quotas are assigned each department, and those employees in the departments meeting these quotas have an opportunity to draw tickets by lot.

Fidelity Mutual has found that both the charities and the employees react favorably to the plan. The refusal of the Red Cross in recent years to accept funds raised by the all-in-one campaign is the only exception.¹

One company executive in evaluating the plan says, "As our people have grown accustomed to the plan and gained appreciation of its value, their response has increased both as to the percentage of employees participating and the total contribution made. It seems to be very well liked."

FUND-FOR-ALL-CHARITIES

In 1948, the Casco Products Corporation of Bridgeport, Connecticut, set up a Fund-For-All-Charities to eliminate drives or solicitations within the plant.

The fund is financed by voluntary pay-roll deductions of fifteen cents per week per employee. Five charities are supported each year—the Community Chest, Red Cross, Cancer Fund, March of Dimes, and the Employees' Tuberculosis Relief Association. At the time each charity makes its appeal, the central fund committee draws a check from the fund. The amounts donated approximate the percentages given by employees to each single drive in the past before the consolidated fund was used. At the same time, the company makes its own corporate donation to the charity, as do members of the management group.

Each employee who subscribes to the fund receives a window sticker and a card showing that he has made his donation to the various drives. These identifying emblems enable the employee to be spared solicitations outside the plant or at home. As one criterion of the plan's success, company executives point to the more than 90% employee participation.

THIRTY MINUTES A MONTH

In Milwaukee, a Thirty-Minutes-a-Month plan is the Blackhawk Manufacturing Company's answer to

(Continued on page 275)

¹American National Red Cross leaders recently modified previous national policy which barred Red Cross participation in any joint fund-raising campaign. Currently, where a single employer permits no more than one annual in-plant solicitation of employees for joint charitable contributions on a pay-roll deduction plan, the local chapters can accept contributions for Red Cross if certain conditions are met. See *Policies and Procedures*, Red Cross Fund, American National Red Cross, Washington, D. C., 1949 and 1950 editions.

Military Volunteers' Job Rights

It's beginning to look as though company executives will be thinking about possible manpower losses in earnest. With the armed forces definitely in need of additional manpower as a result of the Korean crisis, companies are anticipating certain personnel losses along three lines: drafting of the nineteen to twenty-five year olds; voluntary enlistments of men of all ages; and the possible calling up of the reserve components of the armed forces and the National Guard. The recently extended Selective Service Act of 1948 now gives the President authority to take the latter step without further Congressional action.¹

At the moment, military leaders are using limited draft calls and strong voluntary enlistment appeals to bring the armed forces up to strength. Employers are reminded that employees going on active duty on a voluntary basis, no less than those who are drafted or mobilized, are granted equal reemployment protection under the law. Section 9(g) (1) of the Selective Service Act of 1948, now on the books until July 9, 1951, assures equal reemployment rights to the volunteer in these terms:

"Any person who, subsequent to the date of enactment of this title [June 24, 1948] and while it is in effect, enlists in the armed forces of the United States (other than in a reserve component) . . . for not more than three years shall, if such enlistment is his first enlistment in the armed forces or the Coast Guard subsequent to the date of enactment of this title, be entitled, upon the expiration of his enlistment (including any extension thereof by law but not including any voluntary extension thereof) or upon his discharge under honorable conditions prior to the expiration thereof, to all the reemployment rights and other benefits provided for by this section in the case of inductees."

Both inductees and those who voluntarily enlist will have to be restored to their former positions by the employer in accordance with the intent of Congress declared in the Selective Service Act of 1948. This intent, contained in section 9(c) (2), says that any veteran who makes proper application for his old job upon discharge, "should be so restored in such manner as to give him status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the armed forces until the time of his restoration to such employment." J. J. S.

¹A digest of the important provisions of the Selective Service Act of 1948 appears in "Company Policies on the New Draft," *The Management Record*, August, 1948, pp. 385-392. This article also surveys the practices of fifty-eight companies on the following timely questions: (1) What type of manpower survey, if any, have you devised to determine the effect of the new draft on total labor force? (2) What plans are you making to fill vacancies created by the departure of employees for military service? (3) Have you developed new military service policies covering such practices as military leave bonuses, seniority rights, reemployment rights and protection of benefit plans?

Trends in Employee Benefit Plans

Recent Pension Developments

Pension plans are departing more and more from the so-called steel formula, although a minimum pension of \$100 a month is frequently found among the recently negotiated plans. In three of the seven plans which are included in this month's analysis, the minimum pension is payable upon completion of twenty years' service, rather than after twenty-five or thirty years', as has been the prevailing policy. (See pages 258 and 269 for tabulation.)

The revision of the pension plan of the Continental Oil Company provides for a minimum pension of \$125 a month after twenty years' service, should the Social Security benefits be liberalized in line with those proposed in H.R. 6000.

Three of the seven plans are employing the type of pension formula which was previously widely used in plans unilaterally adopted by employers. Under this method, the employee receives as a pension a percentage of his pay multiplied by years of service. Instead of deducting the Social Security benefit, the employee receives a smaller percentage on annual earnings under \$3,000. For example, under the Tide Water Associated Oil Company's pension plan, the future-service pension is equivalent to 1½% of the individual's pay up to \$3,000 and 2% of compensation in excess of \$3,000, multiplied by years of service, while under the Portland Gas and Coke Company plan, the pension formula is 1% of the first \$3,000 compensation plus 1½% of the excess, times years of service.

The International Harvester Company has negotiated a noncontributory pension plan with two unions—the United Farm Equipment and Metal Workers, affiliated with the United Electrical Workers, and the United Automobile Workers, CIO. The Farm Equipment Workers, however, will submit to its locals the choice of the noncontributory \$100 a month pension plan or the contributory annuity plan which is now in force for the salaried employees.

One of the most significant of these plans is that negotiated between the Automotive Tool and Die Manufacturers Association, Detroit, and the United Automobile Workers, CIO. The important feature of this arrangement is that the union member may change his position without sacrificing his right to his future-service pension, provided his employers are contributing members of the association. Layoffs or discharges do not break the employee's continuity of service, for the purposes of the plan, within certain

limitations. Employer members of the association agree to contribute eight cents per man-hour worked. These contributions are deposited in a trust fund, with a trustee chosen by the employers. The administration of the plan rests with a joint board of equal representation of employers and the union, with an impartial chairman.

Severance Pay for Technological Reasons

In the agreement negotiated between the Long Lines Department of the American Telephone and Telegraph Company and Division 10 of the Communications Workers, CIO, there is provision for severance pay for workers whose jobs are eliminated by technological improvements.

Such employees will receive one week's pay for each year of service up to four years, two weeks' pay for each year of service for the next four years, and four weeks' pay for each year of service beyond the eighth year.

Pension Briefs

The American Telephone and Telegraph Company is circulating a film, "For Your Benefit," which acquaints employees with the benefit program of the company. It covers in particular the questions most frequently asked by employees. An elderly employee assumes the role of narrator and provides the thread of the story around which is woven the explanation of the various features of the benefit and pension plan.

* * *

Of the 4,000 men and women on the annuity rolls of the Consolidated Edison Company of New York, 2,691 will receive increases in their pension payments because of the revisions in the company's pension plan.

* * *

The drive for pensions in the Amalgamated Lithographers of America, CIO, is being conducted at the local level, according to an item in the *Lithographers Journal* for June, 1950. The locals are attempting to secure wage increases for their members which will be deposited in a fund for the payment of pensions. Locals which have been successful in obtaining these settlements report that these increases have averaged between \$2.50 and \$3 per week per member. The union will administer the fund.

* * *

The General Electric Company, on June 27, offered to its employees an improved insurance and pension

program and a general wage increase of 3%. The proposed plan would still be on a contributory basis, but the company estimates that for the liberalized program the employees would pay less than one third of the cost. The company has made this offer to all the unions involved, but the two major unions, the International Union of Electrical Workers, CIO, and the United Electrical Workers called it inadequate.

Miners' Fund Reinstated

After a suspension of eight months, pension payments for coal miners were reinstated on June 1 under the revised regulations of the UMWA Bituminous Welfare and Retirement Fund. Miners who are sixty years of age and who have worked twenty years in the coal industry are entitled to a pension of \$100 a month, provided they have worked one year immediately preceding their retirement. No retro-active payments are authorized by the new regulations, which provide that payments will be made from the first month after authorization of the pension. The new regulations also differ from the old in that no credit is given for employment in foreign mines other than those in Canada.

Labor Press Highlights:

More Talk of Labor Unity—and Disunity

THE unity—and disunity—theme again dominated the labor press.¹ On the unity issue, both CIO and AFL papers noted that committees had been appointed to confer late in July on organic unity of the two groups.² The United Mine Workers and other independent unions will be invited to attend the discussions later, according to reports.

In emphasizing the importance of these meetings, AFL President William Green, according to an *AFL Weekly News Service* report, told a Michigan State Federation convention that "there must be a single united labor movement . . . it is my sincere hope that such conferences will successfully accomplish the goal we seek."

¹See also "Labor Press Highlights—Labor Looks at Unity Move," *The Management Record*, May, 1950, p. 186.

²AFL conferees include Daniel J. Tobin, president, Teamsters Union; Charles J. McGowan, president, Boilermakers Union; and Dan W. Tracy, president, Electrical Workers. CIO conferees include James B. Carey, CIO secretary-treasurer; L. S. Buckmaster, president, United Rubber Workers; Joseph Curran, president, National Maritime Union; Allan S. Haywood, CIO director of organization; Walter P. Reuther, president, United Automobile Workers; Emil Rieve, president, Textile Workers Union; Frank Rosenblum, secretary-treasurer, Amalgamated Clothing Workers. AFL President William Green and CIO President Philip Murray will be chairmen ex officio of the committees.

Death benefits of \$1,000 are also resumed but are paid only to a miner's relative who was actually dependent upon him. Previously, this sum was in some instances given to relatives or friends who produced some evidence of having given financial aid to the deceased miner. A funeral benefit not to exceed \$350 will be paid for miners who die and leave no dependents or estate.

The trustees have taken no action on disability benefits and widows' assistance and therefore no applications for these benefits will be accepted.

ERRATUM

In describing the thrift plan of the Standard Oil Company (Indiana), an item in *The Management Record* for May stated that under a previous stock purchase plan the company had contributed two thirds of the cost of the employees' stock. This was in error, as the company's contribution was one third of the cost of the stock.

F. BEATRICE BROWER

Division of Personnel Administration

The Brotherhood of Railroad Trainmen, largest of the big four independent railroad brotherhoods, also is ready to discuss unity. As reported in the *Trainman News*, BRT President W. P. Kennedy told CIO President Philip Murray that definite action on organic unity would have to wait until the Trainmen's convention. But, said Mr. Kennedy, "I will be glad to designate representatives of the Brotherhood to meet with representatives of other labor organizations in an effort to coordinate our activities along legislative and political lines."

One move toward political unity has already been made between the CIO and AFL. *The CIO News*, reporting on the CIO's political action conference in Washington, says: "Highlighting and underscoring the importance of the occasion, Joseph Keenan, director of the AFL's Labor's League for Political Education, appeared and made a fighting speech. He received a standing ovation. There was no mention of unity. None was needed. His presence was enough."

However, while unity was the keynote in high-level discussions, various unions had other preoccupations. An *AFL Weekly News Service* headline, for example, states: "AFL Unions Win Thousands from CIO as

Vage and Welfare Gains Pile Up." Noted in the story was the fact that an AFL Boilermaker local had won bargaining rights for 4,000 employees formerly represented by the CIO's Marine and Shipbuilding Union. Also noted were the recent General Electric elections in which the AFL Auto Workers had won bargaining rights at Danville, Illinois, and the AFL's International Federation of Technical Engineers, Architects and Draftsmen won bargaining rights for 5,500 employees in five GE plants.

Unity—but not with CIO or AFL—was also on the minds of left-wing unions. A *CIO News* tabulation shows that eight unions have already been ousted by the CIO: the United Electrical Workers; the Farm Equipment Workers; the United Office and Professional Workers; the United Public Workers; the Mine, Mill and Smelter Workers; the Food, Tobacco and Agricultural Workers; American Communications Association; and the Fur and Leather Workers. Still to be decided upon by the CIO are the Longshoremen, the Marine Cooks and Stewards, and the Fishermen and Allied Workers. According to United Furniture Workers' President Morris Pizer, who recently engineered the defeat of the Communist faction in his union, these unions are seeking to form a new federation of left-wing labor unions. As quoted in *The CIO News*, Mr. Pizer said: "All their actions of the last few years have been to provoke expulsion so such a federation could be set up. You could see it coming in the 'committees' the expelled unions have set up to work with each other. . . ."

Unification of some left-wing unions is already beyond the "committee" stage. A merger of the International Fishermen and Allied Workers Union with Harry Bridges' Longshoremen's Union was recently completed, reports *The Dispatcher* (ILWU, CIO). The fishermen's union now will be known as the Fishermen's and Shoreworkers' Division of the ILWU. The FE merged with the UE following the CIO convention last November.

Larges Government Aid to Nonferrous Ore Firms

Unless certain companies in the nonferrous ore industry get government assistance, they will be forced to curtail or suspend operations, according to John Brophy, director of the CIO Industrial Union Councils. As reported in *The CIO News*, Mr. Brophy told a Utah state CIO convention that the CIO is urging Congressional passage of a bill to aid the industry.

Public Ownership Not Wanted: CIO Utility Workers¹

A unanimous resolution passed at the CIO Utility Workers Union convention calls for all officers and members to use every means available to prevent further nationaliza-

¹See also "Labor Press Highlights—IBEW Local Balks at Federal Aid in Utilities," *The Management Record*, May, 1950, p. 187.

tion of the utility industry." As reported in the *Light Edition* of *The CIO News*, the resolution states that under government ownership, job security, promotional opportunity, and working conditions too often become "tools" and "plums" of politicians and their friends. The nation's best interests are served, states the resolution, "through collective bargaining in investor-owned public utility corporations."

Shorter Work Week Demands Continue

A shorter work week remains a major objective of the CIO's Communications Workers of America, reports *The CWA News*. According to the union, it's "the only answer to job shrinkage being caused by technological changes in the telephone industry." Also bidding for a shorter work week is the United Packinghouse Workers Union, CIO. "Forty hours' pay for thirty hours of work," is the slogan for coming negotiations, according to a feature in *The Packinghouse Worker*. For the Oil Workers International Union, CIO, the slogan featured in the *International Oil Worker* is "Forty hours' pay for thirty-six hours' work."

AFL Out To Organize Engineers, Scientists

Recruitment of engineers and scientists is on the organizing agenda of the AFL's International Federation of Technical Engineers, Architects and Draftsmen, according to the *Council Compass* (Western Electric Technical Employees, Ind). Organizing activities will be intensified in the New York and New Jersey area, says the report, because forty per cent of the country's 160,000 nonsupervisory engineers and scientists are located within a fifty-mile radius of Newark, N. J. and there has been a growth of independent unions in this area.

UAW Starts Pension Classes

Since the General Motors-UAW agreement has been ratified and signed, UAW locals' big job is learning how to interpret it, says a report in *The Flint Weekly Review* (Flint Industrial Union, CIO). Local education committees are now conducting classes on the interpretation of the agreement and on how to apply the pension and insurance provisions.

HAROLD STIEGLITZ

Division of Personnel Administration

Labor and Management in a Common Enterprise—

An analysis of the work of labor-management production committees during World War II and after. Deals with the effect of such committees on the management function; procedures used by labor-management committees; and basic conflicts inherent in joint committees. By Dorothea De Schweinitz, Harvard University Press, Cambridge, Massachusetts, 186 pp., \$3.

American Labor Unions—A compendium of recent magazine articles dealing with current labor topics. Among the items included are: The Division in Labor Ranks; Big Unionism on the Defensive; and The Union's Role in Society. By Herbert L. Marx, Jr., *The Reference Shelf*, Vol. 21, No. 5. H. W. Wilson Company, New York, 1950.

Executive Position Evaluation—A Case Study

FOR many industrial companies, especially those that were contributing directly to the war effort, the period 1941-1945 was one of great expansion in plant and personnel. This growth generally came to a halt with the signing of the armistice and was followed by a period of retrenchment—of varying degree and duration.

Many other companies did not experience this wartime mushrooming but, as soon as the peace came, the pent-up demand for their products found expression in a flood of orders, which in turn necessitated an expansion of facilities.

S. C. Johnson & Son, Inc., located in Racine, Wisconsin, is a case in point. While the shooting war was on, development and promotional and selling activities related to the company's regular product line were somewhat curtailed. But the postwar boom in housing and cars contributed to a greatly expanded market for the firm's products. It has today about 1,100 employees and is the leading manufacturer of wax polishes, cleaners, and a variety of wax products for household, automotive, industrial and agricultural uses.

As a result of growth, Johnson had to enlarge its staff, at executive as well as rank-and-file levels. This gave rise to organization problems, and some rearrangement in organization became necessary. Some new departments and subdivisions were also set up. These changes created imbalances in the salary structure and the need for formal job evaluation became evident.

Accordingly, an outside consultant was called in and five distinct evaluation plans were developed for the various types of jobs in the company. They are known as the factory plan, the office plan, the specialized and technical plan, the supervisory plan, and the executive plan. The present report is concerned with the development and workings of the executive plan.

This plan picks up where the supervisory plan leaves off. It covers about thirty-five executives who are paid more than \$7,500 per year. These include vice-presidents, operating division heads and department heads.

RATING SCALE

The rating mechanism for evaluating these positions is based on the principle that all jobs in this plan are charged with responsibilities in varying degrees for ten broad aspects of corporate administrative activity. These aspects are labeled evaluation "factors"

and are defined in detail in Table 1. A table of point values to be applied to each factor is shown in Table 2.

The table of point values may best be understood by reference to the factor definitions. It will be noted that most of the definitions are broken down into two elements, one of degree, and the other of scope. In the factor point-value table, the numerator in each group of numbers indicates a level of degree and a level of scope. For a given combination of levels indicated by the numerator, the denominator represents the point value.

Each of the ten factors is given the same maximum weight of thirty points, because each is considered of equal importance and equally indispensable to the proper performance of the job. It was felt that any weighting would necessarily be arbitrary and would result in inaccurate evaluations.

JOB DESCRIPTIONS

The job descriptions were prepared by the consultant at the time the original organization studies of the company were made. In a few cases, a provisional set of duties was prepared and evaluated for jobs that were proposed but not yet filled.

Point values for each job were arrived at by application of the rating scale. Then a salary curve of base rates was developed from composite statistics of executive salaries, and positions were grouped into salary classes by inspection. All of the executive positions were fitted into about twenty pay levels, each with a ten-point spread. Actually, the lower ten levels took in all but the top eight jobs. The curve fixed the minimum rate for each pay level. The maximum was set 50% higher.

The minimums of the successive pay levels increase by about \$700 annually at the lower end and by more than \$2,000 at the upper end of the range. Adjacent levels overlap, with the result that the maximum of a given level has about the same dollar value as the minimum of a job five pay levels higher.

New or promoted employees are usually started at the established minimum rate for their jobs, although in some instances the starting rate may be higher or lower, depending on the individual's ability and experience. However, an employee hired at less than his minimum is likely to receive advancement at an accelerated rate until he comes within his established rate range.

A procedure has been devised for systematically reporting changes in job content. The assistant to the executive vice-president is responsible for maintain-

g the organization book of the company, which contains the descriptions of the executive positions. As organization changes occur which might affect the rating of particular jobs, he calls the situation to the attention of the personnel director. A revised job description is prepared and the evaluating committee appraises the job. Actual evaluation is done by four of the top operating executives and the personnel director.

Recently, there has been a general audit of the duties of all jobs. The immediate superior of each executive position was asked to verify the correctness of the written statement of duties. Changes picked up by this survey were likewise reviewed by the evaluating committee.

HERBERT S. BRIGGS
Division of Personnel Administration

S. C. Johnson's Executive Position Evaluation Scale

Table 1. Factor Definitions

POLICY

Appraise the position for its level of responsibility in the development, final determination and interpretation of policies and for the importance of the policies as indicated by their breadth of application and effect on operations and profits.

(1) Degree

1. Assist in formulation
2. Formulation and primary recommendation
3. Final recommendation
4. Decision as part of a group
5. Decision as an individual

(2) Scope (Policies defined in Policy Manual)

1. Operating policies
2. Company policies
3. Corporate policies

PLANNING

Appraise the position for its level of responsibility in the original development, final determination and interpretation of objectives and plans for the organization and conduct of the business, and the importance of the plans as indicated by the breadth of application and effect on operations and profits.

(1) Scope of Application of Plans

1. Section, area or small staff unit
2. District or group of sections
3. Region
4. Department or a portion of company-wide activity
5. Division
6. Company-wide

(2) Degree

1. Assist in development
2. Development and primary recommendation
3. Final recommendation
4. Decision as part of a group
5. Decision as an individual

METHODS

Appraise the position for its level of responsibility in the development, specification and approval of methods, procedures and physical facilities required for the performance

and control of operations to accomplish the established objectives and for the complexity of the methods and the breadth of application. Consider only methods of doing, not methods of planning.

(1) Scope or Complexity (Difficulty of Development)

1. Simple methods applying to operations under direct control
2. Simple methods applying to operations beyond direct control
3. Complex methods applying to operations under direct control
4. Complex methods applying to operations beyond direct control
5. Intricate methods applying to operations under direct control
6. Intricate methods applying to operations beyond direct control

(2) Degree

1. Assist in development or detailing specifications
2. Development and primary recommendations
3. Final recommendation or establishment
4. Decision as an individual

4. ADMINISTRATION

Appraise the position for the amount of management activity required in the coordination and direction of personnel, the use of equipment and the attainment of results, and for complexity of the operations administered.

(1) Difficulty of Direction and Control

1. Direct supervision
2. One level of subordinate supervision within the community
3. One level of subordinate supervision beyond the community
4. Two levels of subordinate supervision within the community
5. Two levels of subordinate supervision beyond the community
6. Three levels of subordinate supervision within the community

MANAGEMENT RECORD

7. Three levels of subordinate supervision beyond the community
8. Four levels of subordinate supervision within the community
9. Four levels of subordinate supervision beyond the community
10. Five levels of subordinate supervision beyond the community
11. Six levels of subordinate supervision beyond the community

(2) *Complexity of Function To Be Administered*

1. Single function of a routine nature
2. Diversified functions of routine nature or a single function involving routine but varied work
3. Diversified functions, routine but varied work or a single function involving nonroutine work
4. Diversified functions involving nonroutine work

5. PERSONNEL RELATIONS

Appraise the position for the importance of handling and development of personnel as indicated by the number of personnel involved, the nature of their responsibility and the scope of influence.

(1) *Opportunity To Influence Employees*

Grade	Frequent Collaboration	Functional Responsibility	Direct Responsibility
1.	Under 11 employees	Under 6 employees	.....
2.	11-50 employees	6-10 employees	Under 6 employees
3.	51-100 employees	11-50 employees	6-10 employees
4.	101-200 employees	51-100 employees	11-50 employees
5.	Over 200 employees not company-wide	101-200 employees	51-100 employees
6.	Company-wide	Over 200 employees not company-wide	101-200 employees
7.	.....	Company-wide	Over 200 employees not company-wide
8.	.....	.....	.....

(2) *Scope of Influence*

1. Employees directly supervised only
2. Through one level of supervision
3. Through two levels of supervision
4. Through three levels of supervision or functional influence on a full department
5. Division
6. Company-wide

6. EXECUTIVE CONTACTS

Appraise the position for its importance in influencing and obtaining cooperative action of nonsubordinate executives as indicated by the number of divisional and nondivisional contacts, number of nondepartmental contacts and the level of executives contacted.

(1) *Level of Executives to be Influenced*

1. To department manager level within own division—frequently
2. To division vice-president level within own division—occasionally
3. To division vice-president level within own division—frequently
4. To department manager level outside own division—occasionally

5. To department manager level outside own division—frequently
6. To division vice-president level outside own division—occasionally
7. To division vice-president level outside own division—frequently
8. To executive vice-president level—occasionally
9. To executive vice-president level—frequently
10. To president—occasionally
11. To president—frequently
12. To board of directors—occasionally
13. To board of directors—frequently

(2) *Breadth of Contacts at Own Level or Company-wide*

1. Few executives—occasionally
2. Few executives—frequently
3. Many executives—occasionally
4. Many executives—frequently
5. Continuous company-wide staff contacts

7. OUTSIDE CONTACTS

Appraise the importance of outside contacts as measured by the frequency of opportunity to build company prestige through personal relation with the public and by the level of individuals seen.

(1) *Level*

1. Routine business contacts
2. Important business contacts
3. Nonoperating contacts with influential people

(2) *Frequency*

1. Infrequent
2. Frequent
3. Daily

8. ORIGINAL THINKING

Appraise the position for the importance of developing and applying of ideas for the improvement of the operation of the business and the degree of creativeness, originality, imagination and ingenuity required.

(1) *Degree*

1. Ingenuity in revision or application of methods
2. Imagination and originality on assigned problems
3. Creative thinking from established practice
4. Original thinking

9. ANALYSIS

Appraise the position for the amount and complexity of analysis of factual information required for determination of courses of action or for control of operations.

(1) *Degree*

1. Repetitive or simple analysis
2. Diversified analysis or decision on repetitive analysis
3. Decision on diversified analysis

(2) *Scope*

1. Occasional
2. Frequent
3. Principal effort

0. PROFIT

Appraise the position for its potential beneficial or detrimental effect on net income or asset values through day-to-day execution of established policies, plans and methods.

(1) Degree

1. Minor effects on profits with little possibility of monetary loss

2. Moderate effect on profits with occasional possibility of small losses
3. Moderate effect on profits with possibilities of substantial loss or substantial effect on profits with little threat of loss
4. Judgment decisions and actions have substantial effect on costs and profits with frequent possibility of substantial loss of profits through individual acts or judgment

Table 2: Factor Point Values

1. Policy.....	$\frac{5-3}{30}$	$\frac{5-2}{28}$	$\frac{4-3}{26}$	$\frac{5-1}{24}$	$\frac{4-2}{22}$	$\frac{3-3}{20}$	$\frac{4-1}{18}$	$\frac{3-2}{16}$	$\frac{2-3}{14}$	$\frac{3-1}{12}$	$\frac{2-2}{10}$	$\frac{1-3}{8}$	$\frac{2-1}{6}$	$\frac{1-2}{4}$	$\frac{1-1}{2}$
2. Planning.....	$\frac{6-5}{30}$	$\frac{6-4}{29}$	$\frac{5-5}{28}$	$\frac{6-3}{27}$	$\frac{5-4}{25}$	$\frac{4-5}{24}$	$\frac{6-2}{23}$	$\frac{5-3}{22}$	$\frac{4-4}{21}$	$\frac{3-5}{20}$	$\frac{6-1}{19}$	$\frac{5-2}{18}$	$\frac{4-3}{17}$	$\frac{3-4}{16}$	$\frac{2-5}{15}$
	$\frac{5-1}{15}$	$\frac{4-2}{14}$	$\frac{3-3}{13}$	$\frac{2-4}{12}$	$\frac{1-5}{11}$	$\frac{4-1}{10}$	$\frac{3-2}{9}$	$\frac{2-3}{8}$	$\frac{1-4}{7}$	$\frac{3-1}{6}$	$\frac{2-2}{5}$	$\frac{1-3}{4}$	$\frac{2-1}{3}$	$\frac{1-2}{2}$	$\frac{1-1}{1}$
3. Methods.....	$\frac{6-4}{30}$	$\frac{6-3}{29}$	$\frac{5-4}{28}$	$\frac{6-2}{27}$	$\frac{5-3}{25}$	$\frac{4-4}{24}$	$\frac{6-1}{23}$	$\frac{5-2}{22}$	$\frac{4-3}{20}$	$\frac{3-4}{19}$	$\frac{5-1}{18}$	$\frac{4-2}{17}$	$\frac{3-3}{15}$	$\frac{2-4}{14}$	$\frac{4-1}{13}$
	$\frac{3-2}{12}$	$\frac{2-3}{10}$	$\frac{1-4}{9}$	$\frac{3-1}{8}$	$\frac{2-2}{7}$	$\frac{1-3}{5}$	$\frac{2-1}{4}$	$\frac{1-2}{3}$	$\frac{1-1}{2}$						
4. Administration.....	$\frac{11-4}{30}$	$\frac{11-3}{29}$	$\frac{10-4}{29}$	$\frac{11-2}{28}$	$\frac{10-3}{27}$	$\frac{9-4}{27}$	$\frac{11-1}{26}$	$\frac{10-2}{25}$	$\frac{9-3}{25}$	$\frac{8-4}{24}$	$\frac{10-1}{23}$	$\frac{9-2}{23}$	$\frac{8-3}{22}$	$\frac{7-4}{21}$	$\frac{9-1}{21}$
	$\frac{8-2}{20}$	$\frac{7-3}{19}$	$\frac{6-4}{19}$	$\frac{8-1}{18}$	$\frac{7-2}{17}$	$\frac{6-3}{17}$	$\frac{5-4}{16}$	$\frac{7-1}{15}$	$\frac{6-2}{15}$	$\frac{5-3}{14}$	$\frac{4-4}{13}$	$\frac{6-1}{13}$	$\frac{5-2}{12}$	$\frac{4-3}{11}$	$\frac{3-4}{11}$
	$\frac{5-1}{10}$	$\frac{4-2}{9}$	$\frac{3-3}{9}$	$\frac{2-4}{8}$	$\frac{4-1}{7}$	$\frac{3-2}{7}$	$\frac{2-3}{6}$	$\frac{1-4}{5}$	$\frac{3-1}{5}$	$\frac{2-2}{4}$	$\frac{1-3}{3}$	$\frac{2-1}{3}$	$\frac{1-2}{2}$	$\frac{1-1}{1}$	$\frac{0}{1}$
5. Personnel Relations...	$\frac{8-6}{30}$	$\frac{8-5}{29}$	$\frac{7-6}{29}$	$\frac{8-4}{28}$	$\frac{7-5}{28}$	$\frac{6-6}{27}$	$\frac{8-3}{26}$	$\frac{7-4}{26}$	$\frac{6-5}{25}$	$\frac{5-6}{25}$	$\frac{8-2}{24}$	$\frac{7-3}{23}$	$\frac{6-4}{23}$	$\frac{5-5}{22}$	$\frac{4-6}{22}$
	$\frac{8-1}{21}$	$\frac{7-2}{20}$	$\frac{6-3}{20}$	$\frac{5-4}{19}$	$\frac{4-5}{19}$	$\frac{3-6}{18}$	$\frac{7-1}{17}$	$\frac{6-2}{17}$	$\frac{5-3}{16}$	$\frac{4-4}{16}$	$\frac{3-5}{15}$	$\frac{2-6}{14}$	$\frac{6-1}{14}$	$\frac{5-2}{13}$	$\frac{4-3}{13}$
	$\frac{3-4}{12}$	$\frac{2-5}{11}$	$\frac{1-6}{11}$	$\frac{5-1}{10}$	$\frac{4-2}{10}$	$\frac{3-3}{9}$	$\frac{2-4}{8}$	$\frac{1-5}{8}$	$\frac{4-1}{7}$	$\frac{3-2}{7}$	$\frac{2-3}{6}$	$\frac{1-4}{5}$	$\frac{3-1}{5}$	$\frac{2-2}{4}$	$\frac{1-3}{4}$
	$\frac{2-1}{3}$	$\frac{1-2}{2}$	$\frac{1-1}{2}$	$\frac{0}{1}$											
6. Executive Contacts...	$\frac{13-5}{30}$	$\frac{13-4}{30}$	$\frac{12-5}{29}$	$\frac{13-3}{29}$	$\frac{12-4}{28}$	$\frac{11-5}{28}$	$\frac{13-2}{27}$	$\frac{12-3}{27}$	$\frac{11-4}{26}$	$\frac{10-5}{26}$	$\frac{13-1}{26}$	$\frac{12-2}{25}$	$\frac{11-3}{25}$	$\frac{10-4}{24}$	$\frac{9-5}{24}$
	$\frac{12-1}{23}$	$\frac{11-2}{23}$	$\frac{10-3}{22}$	$\frac{9-4}{22}$	$\frac{8-5}{21}$	$\frac{11-1}{21}$	$\frac{10-2}{21}$	$\frac{9-3}{20}$	$\frac{8-4}{20}$	$\frac{7-5}{19}$	$\frac{10-1}{19}$	$\frac{9-2}{18}$	$\frac{8-3}{18}$	$\frac{7-4}{17}$	$\frac{6-5}{17}$
	$\frac{9-1}{16}$	$\frac{8-2}{16}$	$\frac{7-3}{16}$	$\frac{6-4}{15}$	$\frac{5-5}{15}$	$\frac{8-1}{14}$	$\frac{7-2}{14}$	$\frac{6-3}{13}$	$\frac{5-4}{13}$	$\frac{4-5}{12}$	$\frac{7-1}{12}$	$\frac{6-2}{11}$	$\frac{5-3}{11}$	$\frac{4-4}{11}$	$\frac{3-5}{10}$
	$\frac{6-1}{10}$	$\frac{5-2}{9}$	$\frac{4-3}{9}$	$\frac{3-4}{8}$	$\frac{2-5}{8}$	$\frac{5-1}{7}$	$\frac{4-2}{7}$	$\frac{3-3}{6}$	$\frac{2-4}{6}$	$\frac{1-5}{6}$	$\frac{4-1}{5}$	$\frac{3-2}{5}$	$\frac{2-3}{4}$	$\frac{1-4}{4}$	$\frac{3-1}{3}$
	$\frac{2-2}{3}$	$\frac{1-3}{2}$	$\frac{1-2}{2}$	$\frac{1-1}{1}$	$\frac{1-1}{1}$										
7. Outside Contacts.....	$\frac{3-3}{30}$	$\frac{3-2}{27}$	$\frac{2-3}{24}$	$\frac{3-1}{21}$	$\frac{2-2}{18}$	$\frac{1-3}{15}$	$\frac{2-1}{12}$	$\frac{1-2}{9}$	$\frac{1-1}{6}$	$\frac{0}{3}$					
8. Original Thinking.....	$\frac{4}{30}$	$\frac{3}{23}$	$\frac{2}{15}$	$\frac{1}{8}$											
9. Analysis.....	$\frac{3-3}{30}$	$\frac{3-2}{27}$	$\frac{2-3}{23}$	$\frac{3-1}{20}$	$\frac{2-2}{17}$	$\frac{1-3}{13}$	$\frac{2-1}{10}$	$\frac{1-2}{7}$	$\frac{1-1}{3}$						
10. Profits.....	$\frac{4}{30}$	$\frac{3}{23}$	$\frac{2}{15}$	$\frac{1}{8}$											

Trends in Labor Relations

Higher Back-Pay Formula Set by NLRB

The NLRB has set up a new and more costly method of computing back pay for workers discharged in unfair labor practice cases. Back pay in such cases now will be computed by quarterly periods, beginning the first day of January, April, July and October.

Under the NLRB's old system, which had been in effect nearly fifteen years, the board calculated back pay as a lump sum for the whole period from the employee's illegal discharge to his reinstatement. The amount due him was all the wages he would have received had he not been fired, minus any money that he earned during that time.

The NLRB said that its new back-pay formula was designed to prevent a discharged employee's later earnings at a higher rate from cutting down the back pay due him for periods of unemployment. For example, John Brown was discharged by his foreman during a unionization drive. At the time of his discharge he was making \$40 a week. The union made his discharge the basis for an unfair labor practice case. By the time his case was finally adjudicated and he was ordered reinstated by the NLRB, a year had passed. During the first three months of that year, he was unemployed. He then got a job at \$60 a week for the following nine-month period. Under the old NLRB formula, his employer would not have to give him back pay. His earnings during the period were greater than the back pay due him. But under the new formula, his employer would have to give him back pay for the loss of earnings during the first quarter.

The NLRB said that the new method was also designed to facilitate allocation of the employee's old-age pension credits under the federal Social Security law during the period he was unemployed. Under the NLRB's old lump-sum method, it was left to the Social Security Administration to allocate such wage payments to the particular quarter in which the money would have been earned. Inasmuch as the board's new back-pay quarters coincide with those used by the Social Security Administration in figuring benefits, the allocation procedure is simplified.

The new formula benefits an illegally discharged employee in still another way. Should he now take a new and higher-paying job while awaiting the board's decision in his case, he will no longer have to waive reinstatement to the old one in order to preserve maximum back pay. Under the old method, an

illegally discharged employee might be unemployed for a time and later find a job at a higher wage than he had been getting at the time of his discharge. If he were to work long enough at the higher rate before being reinstated in his old job, he might lose all back pay coming to him. Under those circumstances, to assure himself of receiving all the back pay due him for his period of unemployment, he might waive his right to reinstatement at an early date. In that case the back pay was figured just to the date he waived reinstatement.

The establishment of the new method of back-pay computation was announced in a National Labor Relations Board decision ordering the F. W. Woolworth Company to reinstate an employee in its store at Cincinnati, Ohio. The charges were brought by the Retail Clerks International Association, AFL.

In the Woolworth case, the board also directed the company, upon request, to make available to board agents all company records "necessary to the proper determination of the amounts of back pay due and the rights of reinstatement." The board's order listed specifically as among the records needed: pay roll records of Social Security payments, time cards and personnel reports.

Union Officials Retire

New and younger blood is being pumped into the AFL and railroad unions. The past few months have witnessed the retirement of several labor leaders over sixty-five years old.

In the AFL Hatters, President Max Zaritsky and Secretary Michael Green retire; both will reach the union's mandatory retirement age of sixty-five this year. Replacing Mr. Zaritsky is Alex Rose, powerful figure in both the political and labor world.

The president of the powerful AFL Metal Trades Department, John P. Frey, seventy-nine, also has just retired. He was succeeded by James A. Brownlow, formerly secretary-treasurer of the department.

Herman Winter, president of the AFL Bakery Workers, has retired and is succeeded by William J. Schnitzler, former secretary-treasurer of the union.

And among the railroad unions, the three top officers of the Brotherhood of Railway Conductors will retire July 31. They are President H. W. Frase, sixty-five; Senior Vice-President Frederick Nemit, sixty-nine; and Secretary-Treasurer George H. Oran, seventy. President Fraser died shortly after announcing his decision to retire.

On the other hand, John L. Lewis' executive board has passed a resolution which allows him to continue in office despite his reaching the union's mandatory retirement age of seventy.

Printers Use Living Cost Reopening Clause

What is reputed to be the first cost-of-living reopening clause in the commercial printing industry was signed by Albany printing employers and the International Typographical Union. The clause, which uses THE CONFERENCE BOARD's consumers' price index for Albany, reads as follows:

"It is hereby agreed by the parties of the first part, the Employing Commercial Printers of Albany, and Albany Typographical Union, party of the second part, that this agreement shall, unless changed by mutual consent, be in effect February 1, 1950, through September 30, 1951, provided that if the cost of living figures of the National Industrial Conference Board are 12 or more points higher on February 1, 1951, than they were on February 1, 1950, when compiled in the same manner, then the contract will automatically be reopened for discussions on the question of wages as provided in Section 11. For further clarification of this point, the cost of living figure on February 1, 1950 is 158.9."

A similar clause was also contained in the contract signed by the Employing Commercial Printers of Albany and AFL Bookbinders, Local 10.

Federal Court Refuses Employee Checkoff Suit Under T-H Act

A federal district court holds that a suit by employees to enjoin checkoff of dues does not come under the Taft-Hartley Act—hence it does not come under the jurisdiction of the federal courts. Rather, the court holds that the authority to make wage assignments is a common law right; it therefore has sent the employees' case back to the state courts.

The decision hung largely on the federal court's interpretation of Sections 301 and 302 of the Taft-Hartley Act. Section 301 says that labor organizations may "sue or be sued" in federal courts. Section 302 prohibits employers from making payments to unions. The only exception is for checkoff and then only under certain specified conditions.

The action was initiated by a group of employees at Singer Manufacturing Company who sued to enjoin the company and the United Electrical Workers, Local 401, from deducting dues from their wages and turning the money over to Local 401. They said the checkoff authorization they signed provided for sending dues to "Local 401, CIO." They said that the local union was expelled from the CIO.

In holding that the federal court does not have jurisdiction under Sections 301 (unions can sue and

be sued in United States district courts) and 302 of the Taft-Hartley Act, Chief Judge Guy L. Fake gives these reasons:

"These sections have no applications here since Section 301 restricts actions to suits between an employer and a labor organization or suits between labor organizations; and Section 302 provides against an employer paying over money to any representative of employees, expressly excepting payment of moneys deducted from wages for payment of union dues, an old practice not dependent on statute."

With regard to the statute that gives federal judges jurisdiction over acts of Congress, Chief Judge Fake says:

"It is urged that Section 1337, Title 28, vests this court with jurisdiction by the following language:

'The district courts shall have original jurisdiction of any civil action or proceeding arising under any act of Congress regulating commerce.'

"This suit is not an action arising on any act of Congress whatever. The authority of employees to make assignments arises as a common law right."

The judge granted a motion to send the case back to New Jersey state courts.

Company Need Not Check Off "Extra" Dues

An arbitrator held that an employer does not have to check off "extra" union payments. The dispute was between the Bemis Brothers Bag Company and a CIO Textile Workers' local union. The local union voted to raise union dues 50 cents a month for six months to meet an assessment the TWUA national office levied on the local union. The employer refused to check off this extra amount, claiming that it did not come under checkoff of "bona fide union dues (as distinct from assessments)." The company said it was an assessment. The union said it was dues. The arbitrator upheld the company and gave the following reason:

"In labor parlance it is generally recognized that dues contemplate regular, periodic, and recurring payments imposed as part of the privilege of belonging to a union. Assessments, on the other hand, are not collected as regular or continuing payments, but only when special circumstances give rise to the need for extra money. An assessment may also be defined as a charge levied by the union on each of its members for a special purpose not covered by regular dues. . . .

"It is my conclusion that this call for additional funds and the apportionment of a quota to meet that special need of the International amounts to an assessment rather than the regular and continuing payment of union dues as a privilege of membership."

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Upturn in Factory Working Hours

THE steady line held by the work week since the beginning of the year was finally broken in May. The all-manufacturing average this May was 39.9 hours—78 minutes or 3.4% longer than a year ago. The jump was slight, yet sufficient to advance working hours above any level recorded since December, 1948. During 1949, the work week ranged from 38.4 to 39.8 hours; then from January through April of this year it remained at the 39.7 mark.

Seasonally sparked soft goods industries—tobacco, rubber manufactures, and food and apparel in particular—were mainly responsible for this latest month-to-month increase, with their over-all average moving from 38.5 to 38.9 hours a week. The durable goods aggregate, on the other hand, recorded the same number of hours in May as in April.

WORK WEEK VARIES BY INDUSTRY

Variations nevertheless prevailed among the individual industries. Transportation equipment, furniture and fabricated metal industries registered slightly shorter hours, while the electrical machinery group showed no change. Of the increases reported, ordnance, lumber, and stone, clay and glass were at the

top of the scale. The work weeks in these particular industries were extended about half an hour over the month.

EARNINGS REACH RECORD HIGH

Another rise in hourly earnings brought the Bureau of Labor Statistics' average to \$1.441 in May. This was the highest point recorded in the series, which is available only from 1939 for the all-manufacturing-combined group. The wartime peak reached in January, 1945, was \$1.046 and this included a considerable amount of overtime payments, since working hours in the same month averaged 45.4 a week. The increase in earnings in the interim amounted to 37.8%, while hours simultaneously were off by 12.1%.

The lumber industry was again in the foreground by recording the greatest over-the-month increase (3.4 cents) as a result of seasonal building demands. Rubber products followed with a 2.4 cents hourly gain for its average production worker. This accompanied a sharp upsurge in the manufacture of tires and tubes in anticipation of a record-breaking sales year. In connection with this, the production of automobiles soared to a new high. The May output

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, May, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	May 1950 ^p	April 1950	May 1949	May 1950 ^p	April 1950	May 1949	May 1950 ^p	April 1950	May 1949
ALL MANUFACTURING	57.50	56.93	54.08	39.9	39.7	38.6	1.441	1.434	1.401
Durable goods.....	61.44	61.12	57.21	40.8	40.8	39.0	1.506	1.498	1.467
Electrical machinery.....	59.45	59.16	55.99	40.8	40.8	38.8	1.457	1.450	1.443
Fabricated metal products (exc. ord., mach. and trans. equip.)...	60.52	60.63	56.67	40.7	40.8	39.0	1.487	1.486	1.453
Furniture and fixtures.....	50.84	51.79	47.59	40.8	41.3	38.5	1.246	1.254	1.236
Instruments and related products.....	57.77	57.14	54.83	40.2	39.9	39.5	1.437	1.432	1.388
Lumber and wood products (except furniture).....	55.24	53.32	52.94	41.1	40.7	41.1	1.344	1.310	1.288
Machinery (except electrical).....	64.77	64.33	59.70	41.1	41.0	39.2	1.576	1.569	1.523
Ordnance and accessories.....	62.18	61.43	59.32	41.1	40.6	40.3	1.513	1.513	1.472
Primary metal industries.....	65.37	65.04	60.08	40.5	40.4	38.0	1.614	1.610	1.581
Stone, clay, and glass products.....	57.31	56.42	53.90	40.7	40.3	39.6	1.408	1.400	1.361
Transportation equipment.....	68.91	70.50	63.03	40.8	41.4	38.2	1.689	1.703	1.650
Nondurable goods.....	52.90	52.17	50.41	38.9	38.5	38.1	1.360	1.355	1.323
Apparel and other finished textile products.....	41.64	40.83	39.94	35.9	35.2	35.5	1.160	1.160	1.125
Chemicals and allied products.....	61.39	60.65	58.20	41.2	41.2	40.7	1.490	1.472	1.430
Food and kindred products.....	55.29	54.10	53.44	41.2	40.4	41.3	1.342	1.339	1.294
Leather and leather products.....	41.62	41.92	40.05	35.3	35.8	35.1	1.179	1.171	1.141
Paper and allied products.....	57.95	58.16	53.73	42.3	42.3	40.4	1.370	1.375	1.330
Printing, publishing, and allied industries.....	72.26	72.22	70.40	38.6	38.6	38.7	1.872	1.871	1.819
Products of petroleum and coal.....	72.30	73.85	72.12	40.3	40.8	40.7	1.794	1.810	1.772
Rubber products.....	64.13	61.76	57.08	40.9	40.0	37.7	1.568	1.544	1.514
Textile-mill products.....	45.59	45.51	41.91	37.9	37.8	35.4	1.203	1.204	1.184
Tobacco manufactures.....	40.08	38.70	36.27	36.8	35.5	35.7	1.089	1.090	1.016

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

^pPreliminary.

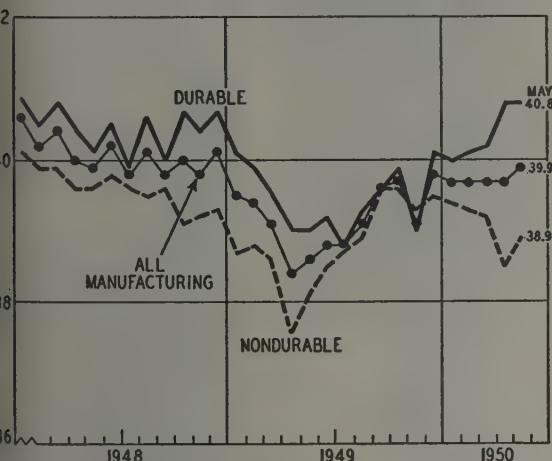
Table 2: Production-Worker Employment in Manufacturing Industries, May, 1950

Industry Group ¹	Employment (In Thousands)			
	May, 1950 ^p	April, 1950	March, 1950	May, 1949
ALL MANUFACTURING	11,755	11,592	11,551^r	11,324
Durable goods.....	6,384	6,191	6,071 ^r	6,057
Electrical machinery.....	606	595	580 ^r	538
Fabricated metal products (exc. ord., mach. and trans. equip.).....	735	721	709 ^r	683
Furniture and fixtures.....	300	303	301	259
Instruments and related products.....	175	174	172	177
Lumber and wood products (except furniture).....	723	693	677 ^r	672
Machinery (except electrical).....	1,014	1,002	981 ^r	1,014
Ordinance and accessories.....	18.3	18.3	17.9	21.3
Primary metal industries.....	1,024	1,007	982 ^r	991
Stone, clay, and glass products.....	428	420	410	414
Transportation equipment.....	1,000	895	879 ^r	955
Nondurable goods.....	5,371	5,401	5,480 ^r	5,267
Apparel and other finished textile products.....	968	1,003	1,058	956
Chemicals and allied products.....	482	490	487 ^r	476
Food and kindred products.....	1,090	1,065	1,060	1,095
Leather and leather products.....	332	341	357	332
Paper and allied products.....	391	391	389	372
Printing, publishing, and allied industries.....	501	497	497	494
Products of petroleum and coal.....	178	176	182	188
Rubber products.....	194	190	189 ^r	185
Textile-mill products.....	1,160	1,172	1,183 ^r	1,087
Tobacco manufactures.....	75	76	78	82

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^pRevised^rPreliminary

Average Weekly Hours of Production Workers in Manufacturing Industries



Source: Bureau of Labor Statistics

exceeded all previous levels and topped the May, 1949, figure by 46%.

Weekly earnings reflected the increases in both hourly pay and working hours and, consequently, moved to a new peak of \$57.50 in all manufacturing. New highs were recorded in both the durable and nondurable aggregates. The latter group, however, exerted the greater pressure in raising the general average. Here again, the rubber industry was the most influential. Its workers earned \$2.37 more a week

in May than in April, while lumber showed a weekly gain of \$1.92.

The number of production workers rose in May for the fourth consecutive month. The latest total was 11,755,000 in all manufacturing—163,000 more than in April and 431,000 higher than a year ago. This upswing is greater than any total recorded since September, 1949, when employment averaged 11,775,000.

AUTO STRIKE SETTLED

Settlement of the 100-day-old Chrysler labor dispute was an important feature of this over-all increase. About 124,000 employees were involved—89,000 at Chrysler and 35,000 in suppliers' plants. In all, the transportation equipment industry registered a net gain of 105,000 workers between April and May. The difference between the actual number of accessions in the industry and the number of workers both directly and indirectly affected reflects, to a certain extent, the layoffs that resulted from the railroad tie-up during the middle of May.

While employment gains prevailed in eight out of ten hard goods industries, a downward pattern predominated in the soft goods group where a total of 30,000 separations was registered. There were 35,000 separations in the seasonally slow apparel industry; these were counteracted, however, by 25,000 accessions in plants manufacturing food and kindred products.

ELIZABETH M. CASELLI
Statistical Division

Main Provisions of Recently Announced Pension Plans

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
Automotive Tool and Die Manufacturers Association, Detroit, and United Automobile Workers, CIO Agreement dated 5-27-50 Effective date of plan, first day of third calendar month after union ratifies plan. Effective for five years and thereafter until either party gives sixty-day notice Subject to approval of Commissioner of Internal Revenue	Each employer shall contribute 8 cents for each hour worked by his employee Eligibility requirements: All employees with 10 years' service	\$100 a month at age 65 with 25 years' service, proportionately less if 10 to 25 years' service. Deduct Social Security as in effect or as amended Early retirement with company's consent. After age 60, \$100 less Social Security benefit which he would receive if age 65, reduced by 6.7% for each year under 65	\$50 a month at age 55 with 25 years' service. Deduct any benefits that may be enacted under Social Security. Normal formula applies at age 65 Vesting rights: If worker resigns or is discharged, retains service credit if employed at least 131 hours by member in following one and one-half years. If laid off, this period extended to three years	Normal retirement at age 65. May accumulate service to age 68 Employer may retire an employee age 65 or older if he is unable to work efficiently	Board of administration of 3 employer members and 3 union members. Impartial chairman, selected by members, shall vote only in case of deadlock	Trust fund. Employers shall appoint trustee. It is intention of employers and union to amortize past-service liability in approximately 30 years
Continental Oil Company Amendments to unilateral plan to be effective 7-1-50	No change	If Social Security benefits are increased substantially, the same as in H.R. 8000, then following minimum will apply: \$125 a month at normal retirement age with 20 years' service. Deduct Social Security. For women who retire at normal retirement, age 60, the company will pay estimated amount of Social Security until age 65.	Vesting rights: After 10 years' service, 25% of employer's contributions increasing 5% for each year of service up to 50% for 15 years; thereafter 10% for each year up to 100% for 20 years' service, if employee leaves his contributions in fund. Payments in fund. At age 65 with 15 years' service, \$100 a month reduced by 1% for each month under age 65. Minimum: \$50 a month Deduct federal disability payments, if enacted No vesting rights	No change	No change	No change
International Harvester Company and United Farm Equipment and Metal Workers, UE, and United Automobile Workers, CIO Agreement dated June 2, 1950 Plan shall be effective for five years Subject to approval of Commissioner of Internal Revenue	Employer pays entire cost. Eligibility requirements: All employees in bargaining units with 10 years' service	\$100 a month at age 65 with 25 years' service. Deduct Social Security as now in effect or as amended. Proportionately less to employees with 10 to 25 years' service Early retirement at age 60 with 25 years' service, \$100 a month less Social Security. Pension reduced by 5% of 1% for each month under age 65 Any pensions payable under company's old noncontributory plan will be deducted. Also annuities paid for by company contributory plan will be deducted	At age 65 with 15 years' service, \$100 a month reduced by 1% for each month under age 65. Minimum: \$50 a month Deduct federal disability payments, if enacted No vesting rights	Normal retirement at age 65. Automatic retirement at age 68. No service credited after age 65 except for employees with less than 25 years' service, but in no case beyond age 68	Joint pension board of 3 employer and 3 union members. Impartial arbitrator appointed by members shall vote in case of deadlock	Company contributions actuarially determined to be put into a trust fund or deposited with an insurance company. Past-service costs funded by level method in 25 years or less. Group annuity
International Harvester Company and United Farm Equipment Workers, UE Bargaining units may choose the contributory annuity plan for salaried employees in lieu of the noncontributory plan above	Employee contributions: 3% of first \$3,000 including overtime, plus 6% of excess. Company pays balance Eligibility requirements: Regular employees with 2 years' service	1% of first \$3,000 plus 2% of excess, times years of participation Minimum pensions shall equal those provided under noncontributory plan	Minimum benefits shall equal those provided under noncontributory plan Vesting rights: Full vesting after 15 years' service. If employee is over age 55 (50 for women) he cannot withdraw contributions but will receive annuity at normal retirement age, regardless of	Normal retirement at age 65 for men, 60 for women Early retirement at age 60 with 25 years' service	Board of directors shall administer plan	or less Group annuity

Main Provisions of Recently Announced Pension Plans—Continued

Name of Company, and Union Date of Agreement or Plan	Contributions and Eligibility Requirements	Normal Pension Formula	Disability Pension Formula and Vesting Rights	Retirement Age	Administration of Plan	Type of Funding
The Kroger Company Unilateral plan amendments effective 1-1-50 Subject to approval of stockholders	Employer pays entire cost All regular employees with 15 years' service	$\frac{3}{4}$ of 1% of first \$3,000 of basic earnings for 10 years prior to retirement plus 1½% of excess, times years of service after age 25 Minimum: \$30 per 4-week pay period Maximum: \$10,000 a year	After age 55 with 15 years' service, reduced benefit subject to approval of board of directors No vesting rights	Normal retirement at age 65 unless board of directors consents to later retirement Early retirement with consent of board of directors permitted after age 55	A committee of management representatives appointed by board of directors Board of directors shall decide any disputes	Trust fund with \$2,000,000 reserve. Company will add 5% of year-end balance therein annually. Additional allocations as determined by board of directors
Portland Gas & Coke Company Effective date of plan 8-1-50 Plan agreed upon by International Chemical Workers, CIO, and Office Employees International Union, AFL. Subject to renegotiation 6-30-53	Employer pays entire cost Eligibility requirements: All full-time employees age 30 or over with 3 years' service	Future service: 1% of first \$3,000 basic wages plus 1½% of excess for each year of service Past service: 1% of first \$3,000 plus 1½% of excess compensation averaged over 10 years prior to effective date of plan multiplied by years of service If employer's tax is increased to over 2%, retirement allowance reduced proportionately Early retirement, actuarially reduced benefit Maximum: 40% of salary or \$12,000 a year, whichever is less \$100 a month at age 65 with 20 years' service. Proportionately less to employees with 10 to 20 years' service Deduct Social Security as now in effect or as amended Deduct half unemployment compensation payments Deduct any workmen's compensation or similar payments	No vesting rights	Normal retirement at age 65 Early retirement at age 55 with 15 years' service	Retirement committee of not less than 3 directors of company Retirement committee will keep unions informed	Trust fund. Company contributions actuarially determined
Sloane-Blabon Corporation and United Rubber Workers, CIO Effective date 7-1-50 to 7-1-55 Thereafter, automatic renewal for 1-year periods until sixty-day written notice is given Subject to approval of Commissioner of Internal Revenue	Employer pays entire cost Eligibility requirements: All employees in bargaining unit with 10 years' service	Future service: 1½% of first \$3,000 per year and 2% of excess over \$3,000 compensation after 7-1-50 Past service: 1% of first \$3,000 and 1½% of excess compensation per year, using 1935-1944 average for all years prior to 1945 Minimum: \$100 a month at age 65 with 20 years' service including half Social Security Early retirement: reduced benefit at ages 55 to 64 with 20 years' service	\$50 a month with 20 years' service to age 65. After age 65, normal formula applies Deduct payments, if any, made under Social Security or workmen's compensation or other similar law No vesting rights	Normal retirement at age 65. Retirement may be deferred but company may retire employee at its discretion if he is physically or mentally not fit for work	Company will administer plan	Company will select bank, trust company or insurance company to invest funds Company will make payments which in its opinion are required to insure payment of pensions
Tide Water Associated Oil Company and certain subsidiaries Unilateral plan Effective 7-1-50 Adopted after negotiations and agreements with a number of unions	Employee contributions: 3% of first \$3,000 and 4% of excess Employer will pay balance of costs Eligibility requirements: Regular domestic employees with at least one year's service New employees under 45 years of age must participate If union refuses to accept plan prior to 7-1-50, then employees in that bargaining unit will not be eligible to participate unless board of directors approve	Future service: 1½% of first \$3,000 per year and 2% of excess over \$3,000 compensation after 7-1-50 Past service: 1% of first \$3,000 and 1½% of excess compensation per year, using 1935-1944 average for all years prior to 1945 Minimum: \$100 a month at age 65 with 20 years' service including half Social Security Early retirement: reduced benefit at ages 55 to 64 with 20 years' service	Vesting rights: After 20 years' service an employee who leaves his contributions with trustee and receive pension at 65 based on earnings to date of termination, or with consent of company, reduced pension at age 55-64	Normal retirement at age 65 with 20 years' service. Employee may work beyond age 65 Early retirement with consent of company at age 55 with 20 years' service	Board of directors shall administer the fund	Trust fund Company intends to fund past-service liability in 30 years or less

Significant Labor Statistics

Item	Unit	1950					1949		Year Ago	Percentage Change	
		May	April	March	Feb.	Jan.	Dec.	Nov.		Latest Month over Previous Month	Latest Month over Year Previ-
Clerical salary rates ¹											
Office boy (or girl).....	median in dollars	.....	32	.....	.....	.....	.....	.....	.....	.....	.....
Receptionist.....	median in dollars	.....	44.50	.....	.....	.....	.....	.....	.....	.....	.....
Telephone switchboard operator.....	median in dollars	.....	47	.....	.....	.....	.....	.....	.....	.....	.....
File clerk.....	median in dollars	.....	33	.....	.....	.....	.....	.....	.....	.....	.....
Junior copy typist.....	median in dollars	.....	36	.....	.....	.....	.....	.....	.....	.....	.....
Senior copy typist.....	median in dollars	.....	40	.....	.....	.....	.....	.....	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	34	.....	.....	.....	.....	.....	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	40	.....	.....	.....	.....	.....	.....	.....	.....
Stenographer.....	median in dollars	.....	46	.....	.....	.....	.....	.....	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	38	.....	.....	.....	.....	.....	.....	.....	.....
Billing machine operator.....	median in dollars	.....	43	.....	.....	.....	.....	.....	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	41	.....	.....	.....	.....	.....	.....	.....	.....
Key punch operator.....	median in dollars	.....	40	.....	.....	.....	.....	.....	.....	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	204.6	201.0	201.1	199.3	200.9	200.9	204.0	203.2	+1.8	-1
Housing.....	Jan. 1939=100	115.3	115.1	114.8	114.7	114.7	113.7	113.7	112.3	+0.2	+2
Clothing.....	Jan. 1939=100	142.5	142.6	142.6	142.8	143.2	143.6	143.8	147.8	-0.1	-3
Men's.....	Jan. 1939=100	155.5	155.5	155.5	155.7	156.0	156.2	156.4	160.7	0	-3
Women's.....	Jan. 1939=100	131.5	131.6	131.7	131.8	132.3	132.8	133.1	136.9	-0.1	-3
Fuels.....	Jan. 1939=100	129.3	131.9	131.0	130.6	130.4	130.1	129.6	126.8	-2.0	+1
Electricity.....	Jan. 1939=100	92.8	92.6	92.7	92.6	92.6	92.6	92.6	91.9	+0.2	+1
Gas.....	Jan. 1939=100	101.6	101.6	101.6	101.6	101.6	102.0	102.0	101.8	0	-0
Housefurnishings.....	Jan. 1939=100	148.2	148.3	148.0	147.9	147.6	147.5	147.2	151.8	-0.1	-2
Sundries.....	Jan. 1939=100	155.9	155.9	155.5	155.4	155.4	155.3	155.3	154.4	0	+1
All items.....	Jan. 1939=100	161.0	160.0	159.8	159.1	159.7	159.5	160.5	161.7	+0.6	0
Purchasing value of dollar.....	Jan. 1939 dollars	62.1	62.5	62.6	62.9	62.6	62.7	62.3	61.8	-0.6	+0
All items (BLS).....	1935-1939=100	.....	167.3	167.0	166.5	166.9	167.5	168.6	169.7	+0.2	-1
Strikes (BLS)											
Beginning in period.....	number	.....	400	260	210	225	150	200	360	+53.8	+11
Workers involved.....	thousands	.....	160	80	75	185	40	70	160	+100.0	0
Total man days idle.....	thousands	.....	3,150	3,750	7,850	2,600	1,200	7,500	1,880	-16.0	+67
Turnover rates in manufactur ² g (BLS)											
Separations ²	per 100 employees	.....	2.9	2.9	3.0	3.1	3.2	4.0	4.8	0	-39
Quits.....	per 100 employees	.....	1.3	1.2	1.0	1.1	.9	1.2	1.7	+8.3	-23
Discharges.....	per 100 employees	.....	.2	.2	.2	.2	.2	.2	.2	0	0
Layoffs.....	per 100 employees	.....	1.3	1.4	1.7	1.7	2.0	2.5	2.8	-7.1	-53
Accessions.....	per 100 employees	.....	3.4	3.6	3.2	3.6	3.2	3.3	2.9	-5.6	+17
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	1.441	1.434	1.423	1.420	1.418	1.408	1.392	1.401	+0.5	+2
weekly.....	average in dollars	57.50	56.93	56.49	56.37	56.29	56.04	54.43	54.08	+1.0	+6
Hours per production worker.....	average per week	39.9	39.7	39.7	39.7	39.7	39.8	39.1	38.6	+0.5	+3
Employment.....	1939 average=100	.....	141.5	141.0	139.9	139.8	140.4	137.8	141.8	+0.4	-0
Payrolls.....	1939 average=100	.....	337.1	333.3	323.0	329.2	329.3	313.9	319.2	+1.1	+5
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	1.506	1.498	1.486	1.483	1.485	1.476	1.457	1.467	+0.5	+2
weekly.....	average in dollars	61.44	61.12	59.74	59.47	59.40	59.19	56.82	57.21	+0.5	+7
Hours per production worker.....	average per week	40.8	40.8	40.2	40.1	40.0	40.1	39.0	39.0	0	+4
Employment.....	thousands	6,384	6,191	6,071	5,979	6,000	5,961	5,719	6,057	+3.1	+5
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	1.360	1.355	1.353	1.350	1.343	1.334	1.325	1.323	+0.4	+2
weekly.....	average in dollars	52.90	52.17	53.04	53.06	52.91	52.69	52.07	50.41	+1.4	+4
Hours per production worker.....	average per week	38.9	38.5	39.2	39.3	39.4	39.5	39.3	38.1	+1.0	+2
Employment.....	thousands	5,371	5,401	5,480	5,478	5,449	5,543	5,570	5,267	-0.6	+2
Class I railroads ³											
Earnings, hourly.....	average in dollars	.....	.....	.....	.....	1.624	1.625	1.620	1.410	-0.1	+15
weekly.....	average in dollars	.....	.....	.....	.....	68.64	69.90	70.40	67.86	-1.8	+1
"Real" weekly earnings.....	1923=100	.....	.....	.....	.....	172.2	175.8	175.9	166.8	-2.0	+8
Hours per wage earner.....	average per week	.....	.....	.....	.....	42.3	43.0	43.5	48.1	-1.6	-12
Agricultural wage rates (BAE) ⁴											
With board and room, per month.....	average in dollars	.....	92.00	.....	.....	96.00	.....	.....	97.00	-4.2	-5
With house, per month.....	average in dollars	.....	113.00	.....	.....	118.00	.....	.....	116.00	-4.2	-2
Composite rate per hour.....	average in dollars	.....	.47	.....	.....	.59	.....	.....	.48	-20.3	-2

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Based on reports from Minneapolis-St. Paul.

²Includes miscellaneous; shown separately prior to February, 1950.

³Derived from Interstate Commerce Commission reports.

⁴Changes in Agriculture Wage Rates are quarterly.

^pPreliminary.

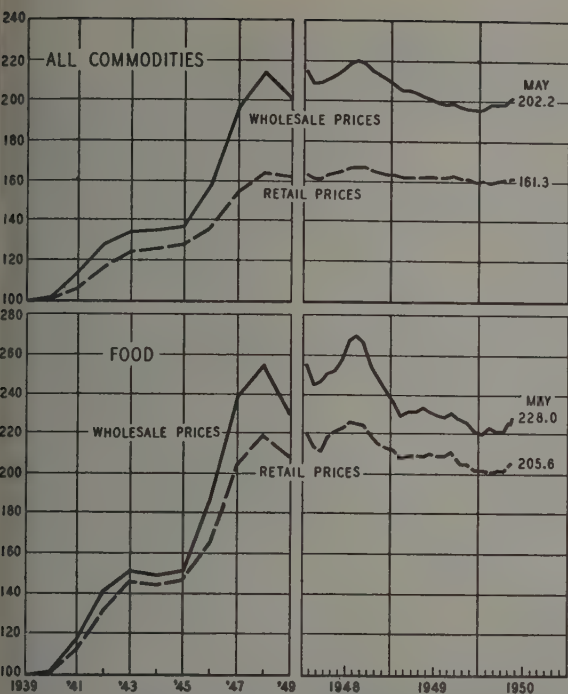
^rRevised.

Wholesale and Consumers' Prices

RETAIL prices of goods and services bought by wage earners are rising. THE CONFERENCE BOARD's index of consumers' prices is continuing the advance, which began early this year, at an accelerated rate. Similarly, wholesale commodity prices are going up. The Bureau of Labor Statistics' index had leveled off in the last part of 1949 and then commenced an upward movement in January. Neither price series, however, has made up the losses from the August, 1948, peak.

The wholesale price index has advanced some 3%, while the consumers' price index gained approximately 1% since the start of their upward movements. The wholesale index is still 8% below its 1948 peak, while the consumers' price index is 3% below its peak. As the chart shows, the wholesale price series hit a much higher peak in 1948 than did consumers' prices (220 against 167 with 1939 equal to 100 in each case).

Whether the current movement will carry through the 1948 high depends in large part on the ability of producers to expand their capacity within a reasonable time, assuming prolongation of the present high level of consumer demand. To meet this demand,



Sources: Wholesale, 1939-1947—BLS Handbook of Labor Statistics; 1948-1950—Monthly BLS Releases of Wholesale Prices; May, 1950—Weekly BLS Releases of Wholesale Prices. Retail, National Industrial Conference Board.

Index Numbers, 1939=100

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Revised series: January, 1939=100; series previously was on 1923=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 May.....	161.7 _r	208.2 _a	112.3	147.8	160.7	136.9	126.8	91.9	101.8	151.8	154.4 _r	61.8 _r
June.....	161.8 _r	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.6 _r	61.8
July.....	161.3 _r	207.8 _b	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.7 _r	62.0
August.....	161.5 _r	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	155.1 _r	61.9 _r
September.....	162.1 _r	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	155.3 _r	61.7 _r
October.....	160.4 _r	204.0 _c	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2 _r	62.3 _r
November.....	160.5 _r	204.0 _d	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3 _r	62.3 _r
December.....	159.5 _r	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3 _r	62.7 _r
Annual average.....	161.3 _r	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0 _r	62.0
1950 January.....	159.7 _r	200.9 _d	114.7	143.2	156.0	132.3	130.4	92.6	101.6	147.6	155.4 _r	62.6 _r
February ³	159.1 _r	199.3	114.7	142.8	155.7	131.8	130.6	92.6	101.6	147.9	155.4 _r	62.9
March.....	159.8 _r	201.1 _r	114.8	142.6	155.5	131.7	131.0	92.7	101.6	148.0 _r	155.5 _r	62.6 _r
April.....	160.0 _r	201.0 _r e	115.1	142.6	155.5	131.6	131.9	92.6	101.6	148.3 _r	155.9 _r	62.5 _r
May.....	161.0	204.6	115.3	142.5	155.5	131.5	129.3	92.8	101.6	148.2	155.9	62.1

Percentage Changes

April, 1950 to May, 1950..	+0.6	+1.8	+0.2	-0.1	0	-0.1	-2.0	+0.2	0	-0.1	0	-0.6
May, 1949 to May, 1950..	-0.4	-1.7	+2.7	-3.6	-3.2	-3.9	+2.0	+1.0	-0.2	-2.4	+1.0	+0.5

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from May 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for May 16, 1949.

^bBased on food prices for July 14, 1949.

^cBased on food prices for October 13, 1949.

^dBased on food prices for January 16, 1950.

^eBased on food prices for April 13, 1950.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	May 1950	Feb. 1950	May 1949	Feb. 1950 to May 1950	May 1949 to May 1950		May 1950	Feb. 1950	May 1949	Feb. 1950 to May 1950	May 1949 to May 1950
Akron						New Haven					
Food.....	214.0	207.2	215.3 ^r	+3.3	-0.6	Food.....	195.9	191.8	202.6	+2.1	-3.9
Housing ¹	124.6	123.8	122.0	+0.6	+2.1	Housing ¹	107.9	106.6	105.7	+1.2	+2.1
Clothing.....	143.7	144.0	147.4	-0.2	-2.5	Clothing.....	148.0	148.8	154.7	-0.5	-4.7
Fuel ²	155.8	160.5	155.1	-2.9	+0.5	Fuel ²	140.6	139.8	138.0	+0.6	+5.1
Housefurnishings.....	130.9	131.2	134.0	-0.2	-2.3	Housefurnishings.....	140.5	140.7	147.3	-0.1	-4.6
Sundries.....	153.7	153.0	155.1	+0.5	-0.9	Sundries.....	132.8	132.4 ^r	133.1 ^r	+0.3	-0.2
Weighted Total.....	164.5	162.6	165.4	+1.2	-0.5	Weighted Total.....	151.1	149.5 ^r	153.1 ^r	+1.1	-1.9
Chattanooga						Pittsburgh					
Food.....	202.0	198.2	211.1	+1.9	-4.3	Food.....	205.4	198.0	207.4 ^r	+3.7	-1.0
Housing ¹	133.9	133.6	103.7	+0.2	+29.1	Housing ¹	120.3	118.6	118.6	+1.4	+1.4
Clothing.....	129.5	130.8	138.4	-1.0	-6.4	Clothing.....	140.4	141.7 ^r	145.2 ^r	-0.9	-3.8
Fuel ²	132.9	137.3	127.4	-3.2	+4.3	Fuel ²	133.2	135.1	135.1	-1.4	-1.4
Housefurnishings.....	108.7	109.3	113.5	-0.5	-4.2	Housefurnishings.....	138.2	137.7 ^r	142.8 ^r	+0.4	-2.9
Sundries.....	144.4	142.8 ^r	142.0	+1.1	+1.7	Sundries.....	156.6	155.5 ^r	151.6 ^r	+0.7	+3.8
Weighted Total.....	156.1	154.8 ^r	154.2	+0.8	+1.2	Weighted Total.....	161.4	158.6 ^r	161.3 ^r	+1.8	+0.1
Cincinnati						Richmond					
Food.....	206.0	200.2	206.9	+2.9	-0.4	Food.....	229.0	222.3	232.9	+3.0	-1.7
Housing ¹	118.8	115.4	114.8 ^r	+2.9	+3.5	Housing ¹	116.2	116.2	116.2	0	0
Clothing.....	154.7	154.6	159.2	+0.1	-2.8	Clothing.....	146.0	148.5	151.9	-1.7	-3.9
Fuel ²	144.7	147.3	132.1	-1.8	+9.5	Fuel ²	135.3	139.8	127.2	-3.2	+6.4
Housefurnishings.....	147.2	148.8	148.5	-1.1	-0.9	Housefurnishings.....	152.6	150.9	153.3	+1.1	-3.6
Sundries.....	156.0	154.7 ^r	156.3 ^r	+0.8	-0.2	Sundries.....	138.2	137.8 ^r	136.1 ^r	+0.3	+1.5
Weighted Total.....	164.6	162.1 ^r	164.2 ^r	+1.5	+0.2	Weighted Total.....	162.1	160.6 ^r	162.9 ^r	+0.9	-0.5
Dallas						Rochester					
Food.....	207.5	204.7 ^r	210.6	+1.4	-1.5	Food.....	214.3	208.3	217.0	+2.9	-1.2
Housing ¹	157.9	156.4 ^r	120.4	+1.0	+31.1	Housing ¹	122.5	119.3	116.7	+2.7	+5.0
Clothing.....	145.3	146.0	149.9	-0.5	-3.1	Clothing.....	145.1	145.3 ^r	150.4	-0.1	-3.5
Fuel ²	89.1	89.1	89.1	0	0	Fuel ²	157.1	162.3	153.8	-3.2	+2.1
Housefurnishings.....	147.3	146.2 ^r	148.0	+0.8	-0.5	Housefurnishings.....	177.2	177.4	180.5	-0.1	-1.8
Sundries.....	156.4	154.5 ^r	152.5	+1.2	+2.6	Sundries.....	160.7	159.8 ^r	158.4 ^r	+0.6	+1.5
Weighted Total.....	164.6	163.0 ^r	157.9 ^r	+1.0	+4.2	Weighted Total.....	167.0	164.7 ^r	166.3 ^r	+1.4	+0.4
Duluth						St. Louis					
Food.....	206.1	200.6 ^r	206.7	+2.7	-0.3	Food.....	203.4	199.8 ^r	204.6	+1.8	-0.6
Housing ¹	113.2	112.9	109.8	+0.3	+3.1	Housing ¹	117.0	116.5 ^r	113.0	+0.4	+3.5
Clothing.....	151.9	152.9	157.3	-0.7	-3.4	Clothing.....	137.8	138.4	143.0	-0.4	-3.6
Fuel ²	150.2	150.2	145.9	0	+2.9	Fuel ²	144.0	150.4	141.1 ^r	-4.3	+2.1
Housefurnishings.....	158.1	157.4	163.5	+0.4	-3.3	Housefurnishings.....	131.1	131.0	137.3	+0.1	-4.5
Sundries.....	151.4	150.7 ^r	149.9 ^r	+0.5	+1.0	Sundries.....	141.7	144.5 ^r	141.8 ^r	-1.9	-0.1
Weighted Total.....	164.2	162.3 ^r	163.8 ^r	+1.2	+0.2	Weighted Total.....	157.2	157.3 ^r	157.6 ^r	-0.1	-0.3
Fall River						San Francisco-Oakland					
Food.....	192.4	188.0	197.3	+2.3	-2.5	Food.....	216.9	214.6	220.6	+1.1	-1.7
Housing ¹	106.9	106.9	106.9	0	0	Housing ¹	102.7	102.7	102.7	0	0
Clothing.....	151.8	152.0	160.7	-0.1	-5.5	Clothing.....	146.0	146.0	154.0 ^r	0	-5.2
Fuel ²	141.3	143.1	143.5	-1.3	-1.5	Fuel ²	95.7	93.6	91.2	+2.2	+4.9
Housefurnishings.....	129.8	129.0	133.5	+0.6	-2.3	Housefurnishings.....	144.7	143.6	148.0 ^r	+0.8	-2.2
Sundries.....	155.2	154.6	154.5	+0.4	+0.5	Sundries.....	156.9	156.1 ^r	156.9 ^r	+0.5	0
Weighted Total.....	157.3	155.8	159.9	+1.0	-1.6	Weighted Total.....	162.9	161.9 ^r	165.0 ^r	+0.6	-1.3
Muskegon						Wilmington, Del.					
Food.....	247.4	233.5	250.6	+6.0	-1.3	Food.....	186.4	181.5 ^r	189.9	+2.7	-1.8
Housing ¹	115.4	115.4	115.4	0	0	Housing ¹	125.8	125.8	124.9	0	+0.7
Clothing.....	137.5	137.9	144.3	-0.3	-4.7	Clothing.....	146.4	148.6	153.9	-1.5	-4.9
Fuel ²	163.2	162.9	161.8 ^r	+0.2	+0.9	Fuel ²	129.3	130.5	126.6	-0.9	+2.1
Housefurnishings.....	113.7	114.2	122.5	-0.4	-7.2	Housefurnishings.....	144.5	145.0	148.7 ^r	-0.3	-2.8
Sundries.....	151.9	150.8 ^r	150.5 ^r	+0.7	+0.9	Sundries.....	145.4	144.2 ^r	139.4	+0.8	+4.3
Weighted Total.....	169.3	165.2 ^r	171.0 ^r	+2.5	-1.0	Weighted Total.....	155.7	154.1 ^r	156.3 ^r	+1.0	-0.4

SOURCE: THE CONFERENCE BOARD

¹Rents surveyed January 15, May 15.

²Includes electricity and gas.

^rRevised.

extra shifts are being added and plans for expansion of plant and modernization and replacement of machinery are being speeded up. Many industries are already operating at or, in some cases, above their rated capacity. Output of steel and automobiles is spectacular. The construction of new homes is at the rate of more than a million a year. With no

noticeable let-up in demand and little or no idle capacity, there is, inevitably, a building up of pressure for price inflation.

Outbreak of a general war would, of course, introduce a new set of conditions and invalidate this analysis. The Korean dispute has already upset the commodity markets, particularly rubber and tin.

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	May 1950	April 1950	May 1949	April 1950 to May 1950	May 1949 to May 1950		May 1950	April 1950	May 1949	April 1950 to May 1950	May 1949 to May 1950
Birmingham						Indianapolis					
Food.....	203.0	199.5	210.7	+1.8	-3.7	Food.....	211.9	208.0	213.3	+1.9	-0.7
Housing ¹	121.6	121.6	121.6	0	0	Housing ¹	121.0	121.0	119.4	0	+1.3
Clothing.....	146.1	146.0	151.1	+0.1	-8.3	Clothing.....	139.9	140.2	146.5	-0.2	-4.5
Fuel ²	124.6	124.4	121.6 ^r	+0.2	+2.5	Fuel ²	153.0	157.8	149.3	-3.0	+2.5
Housefurnishings.....	147.5	147.5	150.2	0	-1.8	Housefurnishings.....	147.5	146.8	150.2	+0.5	-1.8
Sundries.....	141.2	141.2 ^r	141.3	0	-0.1	Sundries.....	158.8	158.6 ^r	159.2	+0.1	-0.3
Weighted Total.....	155.8	154.8 ^r	158.6 ^r	+0.6	-1.8	Weighted Total.....	164.8	164.0 ^r	165.7	+0.5	-0.5
Boston						Los Angeles					
Food.....	191.3	188.5	194.8 ^r	+1.5	-1.8	Food.....	201.0	200.6	209.7	+0.2	-4.1
Housing ¹	116.1	116.1	114.4	0	+1.5	Housing ¹	114.6	114.6	111.9	0	+2.4
Clothing.....	138.8	138.8	143.2	0	-3.1	Clothing.....	137.9	137.9	140.4	0	-1.8
Fuel ²	153.1	157.5	150.6	-2.8	+1.7	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	154.1	154.0	158.7	+0.1	-2.9	Housefurnishings.....	138.8	138.5	138.8	+0.2	0
Sundries.....	151.5	151.2 ^r	150.9	+0.2	+0.4	Sundries.....	149.1	149.2 ^r	149.9	-0.1	-0.5
Weighted Total.....	157.6	157.0 ^r	158.8	+0.4	-0.8	Weighted Total.....	154.3	154.2 ^r	157.0	+0.1	-1.7
Chicago						New Orleans					
Food.....	214.3	208.9	216.9	+2.6	-1.2	Food.....	207.7	205.5	207.1	+1.1	+0.3
Housing ¹	124.3	124.3	120.5	0	+3.2	Housing ¹	119.1	119.1	119.4	0	-0.3
Clothing.....	141.5	141.4	144.2	+0.1	-1.9	Clothing.....	148.8	148.9 ^r	151.6	-0.1	-1.8
Fuel ²	112.6	116.1	109.6	-3.0	+2.7	Fuel ²	90.6	90.6	91.2	0	-0.7
Housefurnishings.....	143.0	142.8	149.0	+0.1	-4.0	Housefurnishings.....	159.0	158.9 ^r	161.7	+0.1	-1.7
Sundries.....	163.4	163.4 ^r	154.7	0	+5.6	Sundries.....	141.0	140.7 ^r	140.6	+0.2	+0.3
Weighted Total.....	165.9	164.4 ^r	163.9	+0.9	+1.2	Weighted Total.....	161.5	160.6 ^r	161.7	+0.6	-0.1
Denver						New York					
Food.....	209.2	203.8	213.2	+2.6	-1.9	Food.....	196.3	192.3	199.3	+2.1	-1.5
Housing ¹	113.4	113.4	113.4	0	0	Housing ¹	104.6	104.6	104.4	0	+0.2
Clothing.....	151.8	151.8	152.4	0	-0.4	Clothing.....	142.4	142.3 ^r	148.2	+0.1	-3.9
Fuel ²	105.9	106.0	105.0	-0.1	+0.9	Fuel ²	129.7	131.4	127.1 ^r	-1.3	+2.0
Housefurnishings.....	141.3	140.6	145.1	+0.5	-2.6	Housefurnishings.....	150.1	150.9	153.6	-0.5	-2.3
Sundries.....	150.8	150.6 ^r	147.8	+0.1	+2.0	Sundries.....	160.4	160.4 ^r	160.8	0	-0.2
Weighted Total.....	159.1	157.4 ^r	159.6	+1.1	-0.3	Weighted Total.....	157.7	156.4 ^r	159.4 ^r	+0.8	-1.1
Detroit						Philadelphia					
Food.....	207.1	204.4 ^r	209.6	+1.3	-1.2	Food.....	191.3	186.9	195.0	+2.4	-1.9
Housing ¹	116.2	115.0	114.8	+1.0	+1.2	Housing ¹	111.0	111.0	110.4	0	+0.5
Clothing.....	140.7	141.0	145.7	-0.2	-3.4	Clothing.....	131.8	131.9	140.7	-0.1	-6.3
Fuel ²	149.6	151.7 ^r	147.5 ^r	-1.4	+1.4	Fuel ²	144.9	150.5	142.6	-3.7	+1.6
Housefurnishings.....	153.3	153.2	156.2	+0.1	-1.9	Housefurnishings.....	147.8	147.7	149.8	+0.1	-1.3
Sundries.....	166.1	166.1 ^r	165.4	0	+0.4	Sundries.....	153.8	153.4 ^r	152.7	+0.3	+0.7
Weighted Total.....	163.8	162.9 ^r	164.6 ^r	+0.6	-0.5	Weighted Total.....	157.0	155.8 ^r	158.9	+0.8	-1.2

SOURCE: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November.

¹Rents surveyed March, June, September, December.

²Includes electricity and gas.

^rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 May.....	160.8	204.9 _a	111.4	145.6	157.8	135.4	124.1	94.2	103.3	151.3	156.6	62.2
June.....	160.9	205.7	111.4	148.3	155.2	133.2	124.5	94.2	103.3	150.3	156.8	62.2
July.....	160.4	205.0 _b	111.4	142.4	153.9	132.6	124.4	94.2	103.3	148.3	156.5	62.3
August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	156.9	62.3
September.....	161.0	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2	62.1
October.....	159.3	200.8 _c	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6 _d	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.1
February.....	157.8	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	157.7	63.4
March.....	158.4	197.7	112.3	140.8	152.1	131.2	127.9	94.2	102.7	147.8	157.8	63.1
April.....	158.7 _r	197.7 _e	112.6	140.7	152.1 _r	131.1	128.8	94.2	102.7	148.1 _r	158.2 _r	63.0 _r
May.....	159.8	201.4	112.7	140.7	152.2	131.0	126.4	94.1	102.7	147.9	158.3	62.6
Percentage Changes												
April 1950, to May, 1950..	+0.7	+1.9	+0.1	0	+0.1	-0.1	-1.9	-0.1	0	-0.1	+0.1	-0.6
May, 1949 to May, 1950..	-0.6	-1.7	+1.2	-3.4	-3.5	-3.2	+1.9	-0.1	-0.6	-2.2	+1.1	+0.6

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for May 16, 1949.

^bBased on food prices for July 14, 1949.

^cBased on food prices for October 13, 1949.

^dBased on food prices for Jan. 16, 1950.

^eBased on food prices for April 13, 1950.

^rRevised.

Food prices at the wholesale level have closely paralleled retail food prices. Comparison of the food components of the BLS wholesale commodity price index and THE CONFERENCE BOARD's consumers' price index reveals a high degree of similarity in the changes that have taken place during the period charted (1939-1950). Both are going up again after reversing the gentle downhill trend which had carried through 1949. Both curves are close to year-ago levels but well below the 1948 highs. Compared with 1939, retail food prices are still twice as high as they were, while the wholesale level is well over double the 1939 index.

MAY INDEX HIGHER

Except for a February dip, the retail price climb which began in January of this year continued unchecked through mid-May. The consumers' price index compiled by THE CONFERENCE BOARD reached 161.0 (January, 1939=100) in May, exceeding the April index by more than one half of one per cent. The over-all rise since January, 1950, has been 0.8%.

Retail food costs advanced 1.8% over the month, the highest month-to-month increase since April, 1948. Meat prices were the chief cause of the jump. The rise in meat prices is expected to continue at least until the fall. Fresh fruits and vegetables also contributed to the increase in the food index. The price decreases in dairy products and coffee were largely responsible for partially offsetting this increase. Food prices, however, are still 1.7% below a year ago. Housing was the only other component in the budget of moderate-income families to show an increase (0.2%).

Clothing and housefurnishings each recorded a slight decrease (0.1%) with no appreciable change in any specific item. The increase in carpet prices has not been large enough thus far to counteract the decreases in sheets and refrigerators.

Fuel costs decreased 2.0% as the result of lower solid fuel prices. Sundries remain unchanged.

The purchasing value of the January, 1939, dollar (the reciprocal of the consumers' price index) fell to 62.1 cents in May, a decline of .4 cent from the April figure. It is still .3 cent higher than its value a year ago.

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Longer-Term Contracts

(Continued from page 253)

of how long a contract will run. Many union locals will continue the contract or extend negotiations until agreement between the international and a dominant company has provided a pattern for local settle-

ments. For example, of seventy-two UAW-CIO contracts included in a study of negotiations during 1949, thirty-six were extended while negotiators waited for the Big Three to set a pattern.¹ This practice, as evidenced by negotiations during 1949, is far more prevalent among CIO unions than those of the AFL. In terms of possible pattern-making agreements, the following tabulation shows the schedule of key contract reopenings and terminations slated for the next two years.

	Reopening Date	Termination Date
Auto (United Automobile Workers—CIO)		
Chrysler.....	Annually after July 1, 1951	May 4, 1953
Ford.....	After Jan. 1, 1951 (once by each party)	April 1, 1952
General Motors.....	None (but has annual 4 cents improvement factor, automatic cost of living adjustments)	May 29, 1955
Coal (United Mine Workers, Ind.)		
Anthracite.....	(See termination)	June 30, 1952 (May terminate on April 1, 1951, on 30 days' notice by either party)
Bituminous.....		
Glass (United Glass Workers, CIO)		
Libby-Owens-Ford....	No reopening	May 15, 1951
Pittsburgh Plate Glass.		
Rubber (United Rubber Workers, CIO)		
Firestone.....	After July 1, 1950 (once)	March 20, 1951
B. F. Goodrich.....	On or after April 15, 1950 (once for each party)	Feb. 1, 1951
Goodyear.....	Can be amended by mutual agreement.	Feb. 10, 1951
U. S. Rubber.....	After July 1, 1950 (once for each party)	July 1, 1951
Steel (United Steelworkers, CIO)		
Bethlehem Steel.....	Nov. 1, 1950	Dec. 31, 1951
Carnegie-Illinois.....	Nov. 1, 1950	Dec. 31, 1951
Republic Steel.....	Nov. 1, 1950	Dec. 31, 1951
Youngstown Sheet & Tube	Nov. 1, 1950	Dec. 31, 1951

Negotiators of one contract included a clause which states that in case war is declared the contract may be reopened. Complete details of when contracts of various durations can be reopened are shown in Table 4 on page 253.

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¹See "What Happened in 1949 Wage Negotiations," *Studies in Personnel Policy*, No. 105, THE CONFERENCE BOARD, Table 4, p. 4.

Charity Funds

(Continued from page 256)

periodic, time-consuming solicitations for the Community Chest and the Red Cross.

This central fund is financed by monthly pay-roll deductions equaling one-half hour's pay at the employee's going rate. For example, a worker earning \$1 an hour is asked to pledge fifty cents per month, and the \$2-an-hour man, a monthly pledge of one dollar. Since only two agencies benefit from the in-plant drive, administrative costs and decisions are negligible. The company merely takes the authorization of the individual employee, on which he has specified how he wants his "thirty minutes" divided between Community Chest and Red Cross, and forwards the total amount collected.

Employee reaction? "Very good," says one company executive. "Our total contribution to these funds has increased and we save much solicitation time and effort."

PRIZES STIMULATE INTEREST

A welfare plan set up in 1943 by the joint efforts of management and union officials centralizes the charitable contributions of employees at the Auburn Button Works, Inc., Auburn, New York.

Each year, company and union representatives decide: (1) the agencies to be benefited; (2) the percentage allotment to each charity for funds not specifically earmarked by employees (based on local drive budgets of each charity); (3) the organization of the annual campaign in the plant.

Contributions are in the form of weekly pay-roll deduction authorizations. Pledge cards permit employees to select a pay-roll deduction ranging from a minimum of ten cents to a maximum of fifty cents per week. No deduction is made for any week in which an employee's gross earnings are less than \$20. One feature of Auburn's plan is that the pay-roll department forwards checks once a month, rather than annually, to the charities. The check represents the total of weekly pay-roll deductions made during the previous month.

A two-year-old feature of the plan is the use of prizes at the annual fall drive to increase interest and participation. Prizes are drawn at the end of the campaign by employees pledging twenty cents or more per week. The unions and the company share the cost of the prizes.

A company executive, commenting on experience with the welfare plan, says, "This method of giving for charitable purposes has met with favor among the employees. The small weekly deduction is not seriously felt and the resulting average pledge has in-

creased nearly fourfold. Approximately 80% of our employees participate. We feel that much credit for the success of enrolling employees in this plan must be given to the representatives in the departments who solicit their fellow workers."

DONATIONS TOTAL \$2 MILLION

One of the more widely known central funds is the Buck-of-the-Month Club of the Lockheed Aircraft Corporation, Burbank, California. In its eight years of operation, the club has disbursed over \$2 million to community chests and other charitable and relief organizations.

The BOMC is administered by a four-man board of directors consisting of a representative from the Lockheed Employees Recreation Club, a representative from each of the two major unions in the company, and a representative of the company. The fund is built up by paycheck deductions of twenty-five cents a week for forty-eight weeks (fifty cents semi-monthly for monthly salaried employees).

All allocation decisions are made by the BOMC executive committee which investigates and votes on all contributions. Before a donation is approved, the vote of the committee members must be unanimous. After a request is agreed upon, the committee decides the amount to be given, taking into consideration the extent of the need and the funds available. BOMC rules also provide that up to 75% of total funds can be used for employee welfare aid, should the need arise.¹

One feature of Lockheed's plan is that the employee's pay-roll deduction authorization card is for an unlimited period. This eliminates the necessity for a periodic or yearly sign-up. New employees are asked to become members at hiring time.

Employee response to the BOMC and its work has always been heartening, company executives say. In the words of Lockheed's president, "This plan of collective giving is a striking example of American democracy at work. A little donated regularly, from many persons, provides sums that are doing a tremendous humanitarian work."

BENEVOLENT FUND A SUCCESS

The Rome Division (New York) of Revere Copper and Brass, Inc., has now had five years' experience with its Benevolent Fund.² From the outset, the plan has operated with marked success. Revere's executives point to the following as highlights of their five years' experience with the fund:

1. Administrative costs of weekly pay-roll deductions

¹Further details of the emergency aid features of Lockheed's plan appear in "Emergency Aid to Employees," *The Management Record*, February, 1950, p. 73.

²Full information on the Benevolent Fund appears in "The Revere Plan for Charitable Contributions," *The Management Record*, September, 1947, pp. 278-279.

are practically nil, being easily absorbed along with the costs of other types of pay-roll deductions.

2. Selections of the fund's administrators have worked out satisfactorily. In the mill, the benevolent fund is administered jointly by union and management officials. In the office, benevolent fund administration is the joint responsibility of selected employees and management representatives.

3. Development of criteria as to charities to be assisted has never been a problem. The by-laws of the plan define what charity functions are supportable as well as what constitutes the "extreme hardship" of a benevolent fund member. Ratio of disbursements to individual charities has been satisfactorily determined by contributing amounts proportional to the local quotas of the welfare organizations involved.

4. Employee reaction to the plan continues at a high level. Participation is still the same as when the plan started—approximately 97%.

5. Reaction of charity recipients has been highly satisfactory. The Red Cross accepts donations, having found that through the medium of the benevolent fund, contributions are higher than previously experienced.

6. No major changes in the plan have been made since its inception. A recent minor policy ruling provides that the balance in the fund shall at no time exceed an established commitment. Thus, last year, this policy allowed a suspension of dues' collections for three months.

7. The company has found it highly desirable to keep employees informed on the activities of the fund. Bulletin board notices are posted whenever a contribution is made by the fund's administrators. Annually, a complete financial statement of the fund's transactions is published in the company magazine.

DEDUCTIONS LIMITED TO DAYS WORKED

Several unique features characterize the Community Welfare Program of the Monarch Aluminum Manufacturing Company of Cleveland, Ohio. In the matter of pay-roll authorization, hourly workers base their pledges on so many cents per day worked. These usually average five cents per day. In a week in which only two days' work is performed, for example, the weekly pay-roll deductions would reflect these reduced earnings. The company has found that basing the pledge only on actual days worked was an important factor in attaining employee acceptance of the deduction plan.

The company has also found that only a few employees care to earmark their donations for specific charities. Most are willing to go along with the proportions determined by the plan's administrative committee. This committee, appointed by management, includes male and female delegates of top management, supervision, office, union, and major departments. In deciding the amount of each donation, the administrative committee considers the following:

- The amount that each charity collected prior to the company's centralized fund.

- The amount which each individual charity has set as its goal in the community.

- The degree of employee interest in the charity.

If employees individually specify amounts that vary a great deal from the proportions agreed upon by the administrative committee, the committee revises its figures. The company feels its policy of permitting employees to earmark their donations, while rarely used, should be included in any central fund plan in order to overcome possible employee objections to centralized administration.

Although Monarch's plan has been in use for only two years, the reaction throughout the company and among the charities has been excellent. The company is tentatively considering a change in the plan this fall so that the once-a-year pledge drive can be replaced by a permanent revocable pledge. This would do away for the most part with the annual pledge renewal drive.

FUND IS INCORPORATED

The Thompson Products Company of Cleveland, Ohio, has its all-in-one campaign, the Consolidated Welfare Fund, incorporated as a nonprofit charitable institution. Nearly 95% of all Thompson employees participate in the form of voluntary pay-roll deduction pledges of one hour's pay a month for eight consecutive months. The fund now coordinates all contributions to worthy causes that formerly had involved ten or more annual fund-raising campaigns. These charities includes the Old Guard Welfare Fund (a club for long-service Thompson employees), Heart Fund, Cancer Fund, Community Chest, Crippled Children's Fund, Disabled Veterans, March of Dimes, Red Cross, and Tuberculosis Society.

Since more than one Community Chest operates in areas where Thompson plants are located, the plan's trustees consider the relative number of employees living in each Community Chest area when making specific allocations.

While employees are permitted to earmark their pledges for particular charities, the company has found that the large majority give full disbursement authority to the trustees of the plan. The plan has fifteen trustees. They include representatives from the various employee social and labor organizations in the Thompson plants. Two plant personnel managers serve as ex officio members.

Thompson Products issues billfold-size membership cards to all participants in the fund. These are displayed by employees when they are solicited outside the plant to show that they have already made their contributions. Furthermore, at various times throughout the year when the authorized charities hold their campaigns, each member receives a symbol showing he has contributed. For example, he receives a red

feather for the community fund, a button for the Red Cross, a poppy, heart, etc.

CHARITIES SUGGEST DISTRIBUTION

The Westinghouse Electric Corporation of Pittsburgh uses its central fund plan, the Combined Charities Campaign, to eliminate duplication of efforts for the three major Allegheny County charity drives—the Community Chest, the Red Cross and the Salvation Army.

Prior to the campaign's inception, the company permitted separate pay-roll authorizations for all three charity drives. This was found to be not only costly but bothersome. Union and management officials agreed on the coordinated campaign. Employee pay-roll deductions are made in multiples of \$1 a month, and the number of multiples desired is left to the employee. Deductions are limited to a six-month period during the year, to reduce bookkeeping in the pay-roll department.

An unusual method of determining specific fund allocations has been worked out by Westinghouse. First, the top representatives of the three agencies participating in the fund are asked to agree among themselves on the disbursement percentages of the amount collected from Westinghouse employees. Relative goal drives in the area are used as guideposts by the agencies. This suggested ratio is then presented to union officials for approval or revision. At the time of the annual Combined Charities Campaign drive in the fall, the employee is given a pay-roll authorization form on which the suggested plan of dis-

tribution is included. The employee either checks this plan or an alternate which is included on the form. The company handles the actual disbursements according to the individual wishes of the employee.

CENTRAL FUND IS TWENTY-SEVEN YEARS OLD

The one-annual-campaign idea has proven itself successful in the Wisconsin Electric Power Company of Milwaukee for twenty-seven years. No charity organization is permitted to solicit funds on company premises. Since 1923, the company has been tempted on several occasions to run a second or special solicitation campaign at the time of a disaster or to benefit some needy organization. No exceptions, however, have been made. As a company executive says, "A single break in the pattern would inject justifiable doubt in the minds of employees."

The company's Charity Fund is administered by the executive committee of the Employees Mutual Benefit Association. Funds are collected on the basis of a sliding-scale pay-roll deduction, with a seven-hours'-pay-per-year goal suggested. The company finds that the added pay-roll administrative cost of pay-roll deductions is very small.

When total receipts are budgeted, a certain amount is set aside (usually less than 10%) for employee relief, to cover such emergencies as destitute cases involving widows, employees with prolonged family illness, and disaster cases. The remainder is disbursed by the EMBA executive committee among eight or ten national charity organizations according to the campaign goals of these individual charities.

The company's corporate donations to charity are entirely separate and not paid into the fund. These donations approach the size of the total employee contribution which, for example, came to almost \$39,000 in 1948. Company executives explain their refusal to put a corporate donation into the fund in terms of preserving the charity fund as a strictly employee-supported and employee-administered affair. Also, the company feels that if corporate donations are pooled, employees might sit back and rely on the company donation to assure attainment of the charity goal.

In commenting on his company's experience, an executive says, "Employees' reaction to the central fund, based on their interest and support, has been excellent. Abandonment of the central fund plan would be strongly opposed by employees."

A SATURDAY MORNING FOR CHARITY

Three cooperating companies have set up a central fund administered similarly to those described previously. However, a notable feature of these three plans is the method of employee contribution. In each case, the employees contribute their earnings

OTHER CONSIDERATIONS CITED WHEN SETTING UP A CENTRAL FUND

- Should corporate donations be pooled with employees' fund? A majority of cooperators favor making corporate donations separately, so that employees get exclusive recognition for their contributions. Corporate donations should not be reduced when the plan is adopted, since employees might think the company is passing along the charity-supporting responsibility.

- Full reports to employees about disbursements are desirable. Otherwise, a few representatives on the committee may tend to allocate the company "chest" in an unrepresentative manner. Some periodic appraisal of employees' attitudes toward the administrators' work is suggested by a few cooperators.

- Make sure the committee members are fully informed about the relative needs and purposes of each charity's appeal. This can be done by proper circulation of charity literature and visits of charity promoters to committee meetings.

- Have the committee set some reasonable ceiling on the number of organizations to be supported. Otherwise, the limited funds may be spread too thin.

for work performed during one Saturday morning per year.

Crouse-Hinds Company

On October 15, 1949, the Good Neighbor Fund of the Crouse-Hinds Company, Syracuse, New York, was inaugurated. It started off with nearly 95% participation among approximately 1,800 employees. Over \$15,000 was contributed by employees who worked for five hours at the premium rate of time and one half. The fund was augmented by an additional \$3,000 from those who could not work on Saturday but who gave an equal amount in cash, and from those who wanted to give more than the five hours' time produced for the fund. The trustees of the Good Neighbor Fund are men and women employees selected from the factory, foundry, and office. Funds not specifically earmarked by employees are allocated to the Community Chest, Red Cross, Cancer Fund, March of Dimes, and the Syracuse Christmas Toy Fund. Funds are kept in a separate bank account.

A number of advantages accrue from the Saturday morning work idea, company officials believe:

- A very substantial contribution to charities is the result.
- All expenses involved in pay-roll deductions are avoided.
- The plan, being really a one-shot approach, cuts down on publicity, planning and administrative expense.
- Every employee contributes on a basis relatively equal to all other employees.
- No out-of-pocket money is involved; employees give only their time.
- All periodic solicitations are completely eliminated throughout the year.

In addition to these tangible advantages, a number of intangible values also accrue. A real spirit of cooperative giving is built up that is not measurable in dollars and cents. On the Saturday morning, for example, many departments were answering phones with a "Good morning, neighbor" greeting. These attitudes, all contributing to better employee morale, remind executives of the old-fashioned working bees when farmers gave a day or two to their neighbors at haying or threshing time.

Representatives from each of the five charity recipients were invited to visit the plant on the day the new plan went into action. Both the employees and the charity representatives had an opportunity to discuss, face to face, the benefits of the good neighbor plan. As one charity agency spokesman commented, "The Good Neighbor Fund is a splendid idea. It will certainly boost the various funds, but it also seems to give a big kick to Crouse-Hinds men and women."

Company executives and the employees agreed. The plan will be continued this year.

Edgcomb Steel Company

The Edgcomb Steel Company of Philadelphia had for a number of years made corporate donations to various charities. Then, because employees indicated that they wanted to make their contribution also, a one-shot-collection plan was worked out. A committee of six employees, three from the plant and three from the office, was appointed by management to disburse the funds collected. Allocation problems were minimized, since each employee who worked on the Saturday morning indicated how he wanted his contribution distributed. The five hours worked on Saturday are paid for at the premium rate of time and one half.

Edgcomb's executives feel that the plan has been a success. In retrospect, they believe they were wise in not changing their corporate donation policy at the time the new plan was started. Otherwise, an executive says, "There could have been a feeling among employees that the company was trying to unload its charity contributions onto the employee."

Graflex, Inc.

Graflex, Inc., disburses employee contributions to the principal charity drives in Rochester, New York, through the Graflex Fund for Charitable Purposes. Once each year, employees contribute five hours' premium pay for a Saturday morning's work.

Originally, this plan was set up in 1939 to facilitate contributions to the Community Chest. However, when employees indicated they wanted to assist additional charities in 1941, the fund was set up as a trust in order "to provide a fund for the furtherance of institutions, organizations, and corporations carrying on religious, charitable, scientific, literary, or educational purposes within the United States or any of its possessions."

The donations of the company and its officers are included in the fund, which is administered by three trustees. All contributions decided upon by the trustees are first approved by the directors of the Graflex Recreation Club. Both the trustees and the GRC directors investigate all requests and contributions. The plan, in the opinion of a company executive, "has saved and continues to save employees no end of annoyance from personal solicitations, at the same time affording them individual personal satisfaction through being a part of a recognized foundation whose resultant contributions have been notable."

JOHN J. SPEED

Division of Personnel Administration

Wage Settlement Announcements—May 15 to June 15

- A. Wage Increase Announcements
B. No Change in Wage Structure
C. Settlements for Fringe Benefits Only

Note: Adjustments verified by company unless otherwise specified.

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
Building Materials and Supplies							
*Building Trade Laborers.....	WE	\$.25 hr.	5-18-50	n.a.	\$1.75 hr.	n.a.	Increase retroactive to 5-10-50. (Laborers' Union, AFL)
East Union County, N. J.							
*Master Builders' Association.....	WE	\$.25 hr.	6-1-50	n.a.	\$2.90 hr.	n.a.	(Bricklayers, Masons and Plasterers Int'l., AFL)
Elizabeth, N. J., and vicinity							
Chemicals							
Harshaw Chemical Company.....	WE	\$.025 hr. across the board	10-1-49	659	n.a.	n.a.	Three weeks' vacation after 15 years. Group insurance plan liberalized; surgical benefits for dependents. Two-year contract. Wage reopening 10-1-50. (Int'l. Chemical Workers, AFL)
Elyria, Cleveland, O.							
Hercules Powder Company.....	WE	\$.06 hr.	1-1-50	100	\$1.57 hr.	6-28-48	Two-day instead of 7-day waiting period for uncontracted disability wage plan. No wage reopening before 1-1-51. (Oil Workers Int'l. Union, CIO)
Bacchus, U.							
International Minerals & Chemical Corporation	WE	\$.03 hr.	2-25-50	70	n.a.	2-25-49	Wage reopening 2-25-51. (Int'l. Chem. Workers, AFL)
Rosford, O.							
Lever Brothers Company.....	WE	\$.06 hr.	3-14-50	1,000	\$1.40 hr. min. male labor rate	3-14-48	Company-paid medical and surgical, insurance for employees and families. Wage reopening 3-14-51. (Int'l. Chem. Workers, AFL)
Baltimore, Md.; St. Louis, Mo.; Edgewater, N. J.							
Hammond, Ind.	WE	\$.06 hr.	3-14-50	900	\$1.40 hr. min. male labor rate	3-14-48	Same as above. (United Gas, Coke & Chemical Workers, CIO)
	S	\$2.50 wk.	3-14-50	75	n.a.	n.a.	Same as above. (United Gas, Coke & Chemical Workers, CIO)
McKesson & Robbins, Inc.....	WE	\$2 wk.	5-1-50	n.a.	n.a.	n.a.	Two-year contract. Employees to receive additional \$2 week 5-1-51. (Amal. Clothing Workers, CIO)
Akron, O.							
Fresno, Cal.	WE	\$7.50 mo. approx.	3-15-50	n.a.	n.a.	n.a.	Two-year agreement, no wage reopening. (Office Employees Int'l. Union, AFL)
The L. Martin Company.....	WE	\$.05 hr.	4-24-50	50	n.a.	2-9-49	(UMW, Dist. 50)
Philadelphia, Pa.							
Merck & Co., Inc.....	WE	\$.05 hr.	3-1-50	600	n.a.	n.a.	(Int'l. Chemical Workers, AFL)
Elkton, Va.	S	\$9 mo.	3-1-50	200	n.a.	n.a.	(No union)
Parke, Davis & Co.....	WE	\$.05 hr.	4-29-50	14	\$1.35 hr. shipping clerks and checkers \$1.20 hr. general ware- housemen	4-29-49	Additional 5¢ 4-29-51. Insurance program, formerly contributory, now noncontributory. Two-year nonreopenable contract. (Int'l. Bro. of Teamsters, Chauffeurs, Warehousemen, and Helpers, AFL)
St. Louis, Mo.							
F. S. Royster Guano Co.....	WE	\$.04 hr.	2-25-50	200	\$1.06 hr.	2-25-49	No wage reopening. (UMW, Dist. 50)
Baltimore, Md.							
Victor Chemical Works.....	WE	\$.07 hr.	2-21-50	110	\$.95 hr.	2-14-49	Payment for six holidays not worked. Contract runs to 3-3-51. (Int'l. Chemical Workers, AFL)
Tarpon Springs, Fla.							
Virginia-Carolina Chemical Corporation	WE	\$.05 hr.	6-1-50	75 approx.	\$.76 hr. minimum \$.95 hr. maximum	6-1-48	No wage reopening. (UMW, Dist. 50)
Shreveport, La.							
Food and Allied Products							
Armour and Company.....	WE	\$.02 hr. unskilled labor		47	\$1.13 hr.		Contract expires 3-30-51. (UMW, Dist. 50)
Fertilizer Works							
Cincinnati, O.		\$.04 hr. semi- skilled and skilled	3-30-50	77	\$1.20 to \$1.65 hr.	3-31-49	
California Packing Corp.....	WE	\$.06 hr.	3-1-50	700	see remarks	3-1-49	Three additional paid holidays for regular employees. Rates prior to increase—72½¢ and 77½¢ respectively for female and male seasonal workers; 89¢ and 94¢ respectively for regular female and male workers. Annual wage reopening 3-1. (Retail, Wholesale & Department Store Union, CIO)
Swedesboro, N. J.							

A—WAGE INCREASE ANNOUNCEMENTS—MAY 15 TO JUNE 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Food and Allied Products (Continued)</i>							
General Baking Company..... Louisville, Ky.	WE	\$.025 hr.	4-1-50	77	<i>n.a.</i>	<i>n.a.</i>	Night differential of 5¢ for hours worked between 6 P.M. and 6 A.M. Six-hour holiday pay substituted for premium pay for work on holiday. Wage reopening 4-1-51. (Bakery & Confectionery Workers, Int'l. Union, AFL)
G. Heilmann Brewing Co..... La Crosse, Wis.	WE	\$.02- \$.06 hr.	4-1-50	367	\$1.10 hr. to \$1.5925 hr.	4-1-49	Welfare insurance including \$2,000 life insurance and accidental death; sickness and accident—\$25 per week for 26 weeks; hospital insurance \$6 day; surgical insurance—\$200; cost approximately 4¢ hour. Three weeks' vacation for 15 years. Wage reopening 4-1-52. (Brewery, Flour, Cereal, Soft Drink and Distillery Workers CIO)
Swift & Co..... Pittsburgh, Pa.	WE	\$.03 hr. to \$.125 hr.	10-1-49	66	\$1.06 hr. to \$1.835 hr.	10-21-48	Three weeks' vacation after 15 years. Some reclassification of employees. (Amal. Meat Cutters & Butcher Workmen, AFL)
<i>Metals</i>							
Anaconda Copper Mining Company. Montana	WE	\$.05 hr.	3-1-50	8,764	\$10.61- \$12.36 day basic pay	7-1-48	Company increased contribution to hospital payment for employees from \$1 to \$1.75 and employees' families from \$1 to \$1.50. Qualifications for holiday pay liberalized. No longer required to work the day before the holiday, but have to work at least two shifts in the work week in which the holiday occurs if working on a 5-day work week or three shifts in such work week if on a 6-day schedule. (Int'l. Union of Mine, Mill & Smelter Workers)
	S	\$6.25 to \$10.00 mo.	5-1-50	1,505	<i>n.a.</i>	7-1-48	
Concrete Steel Fireproofing Co..... Detroit, Mich.	WE	\$.02 hr.	5-5-50	<i>n.a.</i>	\$1.41 hr. common labor	<i>n.a.</i>	Three paid holidays. Wage reopening 5-51. (Construction Workers, UMW, Ind.)
National Lead Co..... Evans Lead Div. Bownemont, W. Va. Chicago, Ill.	WE	\$.05 hr.	3-13-50	56	\$1.12 hr. starting rate	4-13-49	(UMW, Dist. 50)
	WE	\$.025 hr.	12-1-49	202	\$1.205 hr. starting rate	2-7-48	Three weeks' vacation after 20 years. (Int'l. Union Mine, Mill & Smelter Workers)
Titanium Alloy Mfg. Div..... Niagara, N. Y.	WE	\$.05 hr.	1-22-50	132	\$1.30 hr. starting rate	1-49	Wage reopening 6-30-51. (UMW, Dist. 50)
Owen Silent Spring Co., Inc..... Pittston, Pa.	WE	\$.08 hr. hourly workers \$.10 piece workers	3-15-50	100	\$.90 hr. minimum	<i>n.a.</i>	Wage reopening 3-15-51. (Construction Workers, UMW, Ind.)
	S	\$.10 hr.	<i>n.a.</i>	6	<i>n.a.</i>	<i>n.a.</i>	(No union)
<i>Metal Manufactures</i>							
Alliance Manufacturing Co..... Alliance, O.	WE	\$.05 hr.	1-16-50	500 approx.	<i>n.a.</i>	<i>n.a.</i>	Increased vacation plan; 6 to 8 years' service—11 days; 8 to 10 years—12 days; 10 to 12 years—13 days; 12 to 15 years—14 days. Company-paid insurance program of 4¢ per hour. Contract may be reopened for wages once after 2-1-51 upon 60 days' notice. (United Electrical, Radio & Machine Workers)
A. S. Aloe Co..... St. Louis, Mo.	WE	\$.07 hr.	5-1-50	90	<i>n.a.</i>	10-48	Rate on new job determined by plant seniority. Automatic 2½¢ hour increase for 5 years' service. Contract expires 10-1-51. (Int'l. Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
Cherry-Burrell Corp..... Milwaukee, Wis.	WE	\$.08 hr.	5-1-50	100 approx.	\$1.37 hr. average	5-1-48	Two-year contract. Wage reopening 5-1-51. (United Steelworkers, CIO)
General Electric Supply Corp..... Los Angeles, Cal.	WE	\$.05 hr. to \$.15 hr.	4-1-50	38	<i>n.a.</i>	10-1-49	Result of wage reopening. Thirteen employees received increase of 5¢; 23 employees received 7½¢; 1 received 10¢ and 1 received 15¢. (United Electrical Radio and Machine Workers)
*General Motors Corp..... Detroit, Mich.	WE	see remarks	5-50	270,000 approx.	\$1.65 hr. average	5-48	Guaranteed annual increase of 4¢ hour to be added to base pay. Cost of living escalator clause to be continued—cannot go below basic wage rate. Contributory pension of \$100 month, including Social Security, for employees age 65 with 25 years' service. If Social Security is increased, maximum monthly payment will be \$117.50. Company to pay half cost of hospital medical plan for employee and family. Improved insurance program. Modified union shop. Five year contract. (UAW, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—MAY 15 TO JUNE 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufactures (Continued)</i>							
Greenfield Tap & Die Corporation... Greenfield, Mass.	WE	\$0.04 hr. day workers \$0.03 hr. piece workers	4-10-50	1,086	n.a.	5-17-48	Full cost of group accident, sickness, hospital and surgical plan for employees and dependents assumed by company. Previously paid on 50-50 basis. Wage reopening 5-12-51. (United Electrical, Radio and Machine Workers)
*Hanson Scale Co..... Chicago, Ill.	S WE	\$0.04 hr. \$0.058 hr.	4-10-50 6-50	267 n.a.	n.a. n.a.	n.a.	(No union) Contract expires 5-1-51. (United Electrical, Radio and Machine Workers)
The Kawneer Company..... Niles, Mich.	WE	\$0.05 hr.	4-12-50	300 approx.	\$1.06 hr. to \$1.89 hr.	7-9-48	Company-paid group insurance for employees—Employees assume premium for dependents. Qualification for holiday pay liberalized. Job security in form of seniority provision also liberalized. No-strike provision under grievance procedure modified. Contract ends 7-9-52; wage reopening 7-9-51. (UAW, AFL)
La Plant-Choate Mfg. Co., Inc..... Cedar Rapids, Ia.	WE	\$1.15 hr.	4-24-50	423	\$1.39 hr. average straight time	10-15-48	Additional 5¢ hour 5-15-51. Wage reopening 4-15-52. (United Radio, Electrical and Machine Workers)
M. B. Manufacturing Co., Inc..... New Haven, Conn.	WE	\$0.05 hr.	4-9-50	272	n.a.	n.a.	Additional holiday—Good Friday. (Int'l. Union of Electrical, Radio and Machine Workers, CIO)
Pullman Standard Car Manufactur- Co. Michigan City, Ind.	WE	\$0.03 hr.	1-1-50	1,000 approx.	\$1.12 hr. common labor \$1.65 hr.	6-30-48	Vacation qualifying hours changed from 1,500 hours to earnings in ¾ of pay periods, and ½ vacation now allowed where earnings are had in ½ of pay periods. (Bro. Railway Carmen of America, AFL)
Revere Copper & Brass, Inc..... Baltimore, Md.	S	\$2 wk.	3-1-50	25	n.a.	n.a.	Contributory social insurance plan. Three weeks' vacation for over 20 years' seniority. (Office Employees, Int'l. Union, AFL)
John A. Roebling's Sons Co..... Trenton, N. J.	WE S	\$1.13 hr. average \$1.13 hr. average	n.a. n.a.	3,370 209	n.a. n.a.	n.a. n.a.	Pension and insurance agreement effective 4-1-50. Noncontributory pension. Contributory group insurance plan liberalized. Wage reopening 12-1-50. (United Steel Workers, CIO) Same as above.
Servicised Products Corp..... Chicago, Ill.	WE	\$1.10 hr.	6-1-50	80	\$1 hr.	6-1-48	Wage reopening 6-1-51. (UMW, Dist. 50)
U. S. Slicing Machine Company, Inc. La Porte, Ind.	WE S	see remarks see remarks	4-20-50 4-20-50	291 115	n.a. n.a.	n.a. n.a.	Temporary 5¢ increase pending wage incentive plan. Two-year contract. (Int'l. Ass'n. of Machinists, Ind.) (Int'l. Ass'n. of Machinists, Ind.)
Wagner Electric Corporation..... St. Louis, Mo.	WE S	\$0.05 hr. \$9 mo.	5-1-50 5-1-50	5,300 approx. 1,000 approx.	n.a. n.a.	4-1-48 4-1-48	Wage reopening once in 1950, but not before 9-1-50 and once on or after 4-1-51. (Int'l. Union of Electrical, Radio and Machine Workers, CIO) (Int'l. Union of Electrical, Radio and Machine Workers, CIO)
<i>Paper and Paper Products</i>							
Great Northern Paper Co..... East Millinocket, Madison and Millinocket, Me.	WE	\$0.03 hr.	5-1-50	1,700 approx.	\$1.15 hr. base rate	5-1-48	Three weeks' vacation after 15 years' service. Increased hospitalization insurance. (AFL unions; Int'l. Ass'n. of Machinists, Ind.)
Hercules Box Company..... Columbus, O.	WE	\$0.05 hr.	1-1-50	145	\$1.453 hr. male \$1.122 hr. female	10-1-48	Life insurance policy of \$1,000 for employees on the pay roll for 90 days or more. Vacation plan modified. Under three years' employment, 40 hours pay; 3 to 5 years, 60 hours pay; 5 to 10 years, 80 hours pay; over 10 years, 100 hours—all at base rate. Employee must have worked minimum of 200 hours in previous year to be eligible. Contract runs to 10-1-51. (United Paperworkers, CIO)
John A. Manning Paper Co., Inc.... Troy, N. Y.	WE	\$0.05 hr.	5-1-50	n.a.	\$1.07 hr. to \$1.81 hr.	5-49	Contract expires 5-31-51. (Int'l. Bro. of Paper Makers, AFL)
Minnesota & Ontario Paper Company International Falls, Minn.	WE	\$0.07 hr. general increase	5-1-50	1,100 approx.	\$1.09 hr. to \$1.20 hr.	5-1-48	Three weeks' vacation after 15 years accumulated instead of continuous service. New Year's Day now fourth 24-hour shut-down holiday. Health and welfare plan formerly paid for entirely by the company, now included in contract on a contributory basis at rate of \$3 per employee per month. Membership voluntary. Two-year contract. Reopening 5-1-51 only for wages and hours. (Int'l. Woodworkers, CIO)
Paulsboro Manufacturing Company. Fullerton, Pa.	WE	\$1.10 hr.	4-3-50	140	\$1.13 hr.	n.a.	Wage reopening, 2-20-51. (Int'l. Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—MAY 15 TO JUNE 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Paper and Paper Products (Continued)</i>							
St. Regis Paper Co..... Deeriet, Harrisville, Herrings, Oswego, and Watertown, N. Y.	WE	\$.05 hr.	5-1-50	3,500	\$1.16 hr.	n.a.	Two additional paid holidays making a total of 6. Check-off of union dues. (AFL unions, Int'l. Ass'n. of Machinists, Ind.)
<i>Petroleum and Allied Products</i>							
Lion Oil Company..... El Dorado, Ark.	WE	\$.09 hr. \$.08 hr.	4-29-50	136 493	\$1.10 hr. to \$1.92 hr.	3-1-49	Eighty-eight hours' vacation for shift worker after 2 years instead of 3. One day leave with pay to attend funeral in immediate family. Clothing allowance of 2¢ to 3¢ hour in certain departments. Employees out for 7 days are eligible for sickness benefits retroactive to first day. Hospital and surgical insurance to dependents of employees. (Oil Workers Int'l. Union, CIO)
Panhandle Eastern Pipe Line Co. . . . Interstate	WE	\$.05 hr.	3-20-50	1,120	n.a.	n.a.	Double time for holidays. Wage reopening 9-20-50. (Oil Workers Int'l. Union, CIO)
<i>Public Utilities</i>							
Columbus & Southern Ohio Electric Company Columbus, O.	WE	\$.0527 hr. average	3-1-50	1,115	\$1.408 hr. weighted average	7-1-49	Shift premiums 0-2-4-cents. Two days for death in family. Effective 1-1-51, three weeks vacation after 25 years. Increased employee hospitalization and surgical benefits. Wage reopening 3-1-51. (Int'l. Bro. of Electrical Workers, AFL)
*Detroit Edison Co..... Detroit, Mich.	WE	4.5%	6-50	4,500	n.a.	n.a.	Retroactive to 6-1-49. Additional ½% increase 7-3-50. Contract expires 8-1-50. (Utility Workers, CIO)
Harrisburg Gas Co..... Harrisburg, Pa.	WE	\$.08 hr.	2-26-50	156	\$1.171 hr.	2-26-49	(UMW, Dist. 50)
New England Power Service Co. Boston, Mass.	WE	\$.02 hr. general	1-1-50	4,980 approx.	n.a.	n.a.	Two-year contract. Wage reopening only if for 1950 the "Massachusetts Retail Price Index's" Cost of Living rises an average of 5% or more than the 1949 average. Three weeks' vacation after 15 instead of 18 years continuous service. Minimum monthly annuity of \$50 at age 65 to employees with 30 years' service. For service in excess of 10 years, but less than 30, minimum of \$5 plus \$1.50 a month for each year of service. Company to pay ½ employee contribution during 1950 and the remainder during 1951. (UMW Dist. 50; Int'l. Bro. of Electrical Workers, AFL; Bro. of Utility Workers of New England, Ind.)
New Haven Gas Light Company.... New Haven, Conn.	WE	\$.02 hr.	4-2-50	246	n.a.	4-1-49	Company-paid hospital insurance. Three weeks vacation after 15 years instead of 20. Additional sick benefits. Increased shift differentials. No wage reopening. (UMW, Dist. 50)
Puget Sound Power & Light Company Washington	WE	\$.05 hr. \$.06 hr. foremen	1-1-50	1,777	n.a.	n.a.	Contract runs to 12-31-50. Election Day in place of Armistice Day as holiday with pay. Seven guaranteed holidays for operating and rotating shifts. One additional day vacation each year over 10 years' service; maximum 16 days. Company provides hooks and straps for linemen after 6 months' service. (Int'l. Bro. of Electrical Workers, AFL)
	S	\$.05 hr.	1-1-50	n.a.	n.a.	n.a.	
<i>Textile</i>							
Aspinook Corporation..... Jewett City, Conn.	WE	\$.015 hr.	4-15-50	2,400	\$1.15 hr. approx.	4-15-49	Increased hospital and sick benefits at all plants. Inclusion of dependent hospitalization at one plant; increased vacation schedules at 3 plants. Increase of one holiday at one plant. No wage reopening. (Textile Workers, CIO; United Textile Workers, AFL)
U. S. Finishing Co..... Norwich and Sterling, Conn.	WE	\$.025 hr.	3-20-50	1,100	\$1.135 hr. male minimum \$1.065 hr. female minimum	1-5-48	Additional holiday with pay. Hospitalization benefit to employees increased from \$7 to \$8 day. Contract expires 8-20-50. (United Textile Workers, AFL)
<i>Transportation</i>							
Braniff International Airways..... Interstate	S	see remarks	4-1-50	102	see remarks	4-1-49	Increases range from \$5 to \$15 month, depending on length of service. Rates prior to settlement—\$180 month to \$240. Wage reopening 4-1-51 (Air Line Steward and Stewardesses, AFL)
Indianapolis Railways, Inc..... Indianapolis, Ind.	WE	\$.02 hr.	5-1-50	1,400	\$1.48 hr. transit operator	5-1-49	Additional 3¢ hour to be granted 1-1-51. Contract for electrical workers expires 9-30-51 (Amalgamated Association of Street, Electric Railway and Motor Coach Employees, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—MAY 15 TO JUNE 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Transportation (Continued)</i>							
Indianapolis Railway, Inc. (Continued)	WE			19			(Indianapolis Railways Power Employees Mutual Association, Ind.)
	WE			35			(International Association of Electrical Workers of Indianapolis)
	S	\$.02 hr.	5-1-50	100	n.a.	n.a.	Same as above. (No union)
<i>Wholesale and Retail Trade</i>							
American Stores Co..... Eastern Pa., Southern N. J., Md., Del.	WE	see remarks	4-1-50	1,048	see remarks	1-3-49	Increases of \$6, \$4, and \$5, week respectively for chief meat cutters, meat cutters, and box men. Previous rates were \$80, \$63, and \$70 respectively per 43 hours. Wage reopening 3-31-52. (Amalgamated Meat Cutters and Butcher Workmen, AFL)
*Thirteen Furniture Retailers..... Scranton, Pa.	WE	\$.06 hr.	6-50	150	\$1.425 hr. finishers and furniture drivers \$1.375 hr. warehouse foremen \$1.2875hr. parcel drivers \$1.25 hr. ware- housemen	n.a.	One-year contract. Noncontributory hospital and surgical benefits. Companies signing the pact are: Household Outfitting Co., Scranton Dry Goods Co., Kaplan; Home; Economy; Penn; Alpert Furniture Co.; Kurlanchek Furniture Co.; Globe Store; Stoehr & Fister; Scranton Talk; J. R. Butler, and B. J. Smith. (General Drivers and Helpers Union, AFL)
<i>Miscellaneous</i>							
Auburn Button Works, Inc..... Auburn, N. Y.	WE	\$.04 hr. to \$.06 hr.	5-1-50	n.a.	n.a.	5-1-49	Cost of living bonus decreased from 14¢ to 10¢ hour. (Federal Labor Union, AFL)
Ball Brothers Company, Inc..... Muncie, Ind.	WE	\$.015 hr.	3-1-50	2,200	\$.975 hr. male \$.90 hr. female	3-1-49	Additional 3¢ to be granted 7-3-50. One-year contract. (Federation of Glass, Ceramic and Silica Sand Workers, CIO)
Columbia Records, Inc..... *Bridgeport, Conn.	WE	\$.03 hr. piece workers \$.04 hr. hourly workers	6-1-50	900	n.a.	n.a.	Adjustments up to 11½¢ hour for lower paid workers. Seven instead of six paid holidays. Improved welfare and vacation benefits. One-year contract. (United Electrical, Radio and Machine Workers)
New York, N. Y.	S	\$2.00 wk.	5-1-50	n.a.	n.a.	n.a.	One-year contract. (United Office and Professional Workers, Ind.)
*Dock Workers..... Duluth, Minn.	WE	\$.05 hr.	6-50	750 approx.	\$1.20 hr. laborers \$1.515 hr. hoisters	n.a.	Increase retroactive to 5-1-50. Employees to pay 3¢ hour into fund for pension and welfare purposes. (Coal Dock Workers, AFL)
International Salt Co..... Detroit, Mich.	WE	\$.14 hr.	1-1-50	200 approx.	\$1.52 hr. to \$1.84 hr.	n.a.	Additional increase of 6¢ hour on maximum rate for highly skilled labor. One-year contract. (Int'l. Chemical Workers, AFL)
Kane Manufacturing Corporation.... Kane, Pa.	WE	\$.035 hr. average	4-1-50	80	\$1.008 hr.	n.a.	No wage reopening. (Construction Workers, UMW, Ind.)
Koppers Company..... Superior, Wis.	WE	\$.02 hr.	4-1-50	62	n.a.	n.a.	(Int'l. Woodworkers, CIO)
Bartlett-Hayward, Wis.....	WE	\$.02 hr.	5-31-50	330	n.a.	n.a.	(Int'l. Assn. of Machinists, Ind.)

B—No Change In Wage Structure

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
Capital Transit Company. Washington, D. C.	WE	7-1-50	3,500	Contract renewed. Four minor grievances adjusted. Notice of reopening must be given 60 days prior to 7-1-51. (Amal. Ass'n. of Street Electric Railway and Motor Coach Employees, AFL)
Universal Moulded Products Corporation. Bristol, Va.	WE	5-9-50	n.a.	Wage reopening 8-1-50. Any adjustment of wages retroactive to 7-1-50. (Int'l. Woodworkers, CIO)

C—Settlements For Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Chemicals and Allied Products</i>				
American Cyanamid Co. Wallingford, Conn.	WE	3-1-50	474	Three weeks' vacation after 15 years' service, 4 weeks after 25. Saturday premium—15¢ hour; Sunday premium increased from 50¢ to 60¢ an hour. Group insurance plan. (UMW, Dist. 50)
Waterbury, Conn.	WE	4-1-50	35	Three weeks' vacation after 15 years, 4 weeks after 25. Group insurance plan. Wage reopening 9-1-50. (UMW, Dist. 50)
Great Lakes Carbon Corp. Niagara Falls, N. Y.	WE	2-7-50	136	Three weeks' vacation after 15 years. Wage reopening 2-7-51. (UMW, Dist. 50)
International Minerals & Chemicals Corporation Jacksonville, Fla.	WE	3-9-50	18	Two additional paid holidays. (Int'l. Chemical Workers, AFL)
<i>Metals and Metal Manufactures</i>				
Boeing Airplane Company. Seattle, Wash.	WE	5-22-50	12,000 approx.	Eight paid holidays. One hours' vacation allowance accumulation for each 20 instead of 21 hours worked. One-year contract. (Int'l. Ass'n. of Machinists, Ind.)
Detroit Steel Corp. Reliance Steel Warehouse Cleveland, O.	WE	3-1-50	50	Company to contribute \$4.175 month per employee for insurance. Employees age 65 with 15 years' service entitled to pension upon retirement. (Int'l. Longshoremen and Warehousemen, CIO)
Laclede Steel Company. St. Louis, Mo.	WE	n.a.	2,500	Minimum pension, including Social Security, of \$100 month. Insurance program limited to 2½¢ hour cost to the company. (United Steelworkers, CIO)
McQuay-Morris Mfg. Co. St. Louis, Mo.	WE	4-21-50	1,020	Noncontributory group insurance plan. (UAW, CIO)
Nash-Kelvinator Corporation. Detroit, Mich.	WE	7-1-50	24,000	Additional life, accident and sickness insurance benefits. Noncontributory pension plan. Wage reopening 7-1-51. (Int'l. Ass'n. of Machinists, Ind. Int'l. Bro. of Teamsters, Chauffeurs and Warehousemen, AFL; UAW, CIO Mechanics Education Society, Ind.)
Uniflow Manufacturing Company. Erie, Pa.	WE	5-1-50	104	Hospital, medical and surgical insurance; \$500 life; \$1,000 accidental death and dismemberment insurance. Three weeks' vacation after 15 years' service. Wage reopening 4-9-51. (UMW, Dist. 50)
<i>Transportation</i>				
New York Central; Pennsylvania R.R.; Atchison, Topeka & Santa Fe; Southern Railway	WE	5-50	18,000	Provides for presence of firemen in cab of high-speed passenger Diesel engine. Arbitration of demand for fireman on smaller Diesel engine. Equalization of pay between firemen on Diesel and coal-fired steam locomotives and electric and oil-fired ones. (Bro. of Locomotive Firemen and Enginemen, Ind.)
United Air Lines, Inc. Interstate	S	3-1-50	8	Employees may elect to take severance pay after 1 year of continuous layoff if company discontinues use of all navigators. Severance pay—none for less than 1 year of flight service as a flight navigator; 1 to 3 years—5½ months' pay at current rate; 3 to 6 years—5¼ months' pay; 6 years—6 months' pay; and 7 years or more—7 months' pay. Additional day vacation for each year of service above 10 years to a maximum of ¾ month after 15 years, previously ½ month after 1 year, ¾ month after 14 years. Wage reopening 3-1-51. (Transport Workers Union, CIO)
Wyandotte Southern R.R. Wyandotte, Mich.	WE	n.a.	25	Certain provisions made for 6 holidays. Allowance of \$1.80 month per employee for Blue Cross hospitalization. Time off for jury duty. Various changes in seniority provisions. Wage reopening 3-9-51. (UMW, Dist. 50)
<i>Miscellaneous</i>				
Bloomington Brothers, Inc. New York, N. Y.	WE	n.a.	n.a.	Company pays 3% of pay roll to the Store Workers Security Plan which provides sick benefit, medical and surgical benefits, hospitalization and death benefits. Wage reopening 2-28-51 and 2-29-52. (Bloomington Department Store Employees Union, Distributive Workers Union, Ind.)
*General Tire & Rubber Co. Akron, O.	WE	6-50	n.a.	Company-financed minimum pension of \$100 month, including Social Security, for employees retiring at age 65 with 25 years' service. Disability pension for those with 15 years' service. Improved insurance, hospital and surgical care. Five-year agreement. (United Rubber Workers, CIO)
Gerber Products Co. Fremont, Mich.	WE	4-27-50	500	Four paid holidays. Caps to be furnished and one-half the cost of safety shoes paid by company. (Retail, Wholesale and Department Store Union, CIO)
Hudson Oil Company. Newark, N. J.	WE	3-24-50	30 approx.	Terms of temporary disability insurance policy incorporated in agreement. Company to pay 50% of employees' hospitalization policy cost. Contract expires 11-1-50. (Oil Workers Int'l. Union, CIO)
New Jersey Worsted Mills. Passaic, N. J.	WE	n.a.	2,000 approx.	Dependents included in noncontributory hospitalization plan. Daily hospital benefit increased from \$5 for 31 days to \$10; surgical benefits increased from maximum \$150 to \$225, employees only. Severance pay of \$22 for each year of service. Lunch period pay reduced from 30 to 18 minutes. Wage reopening 8-7-50. (Textile Workers, CIO)
Standard Cap & Seal Corporation. Chicago, Ill.	WE	n.a.	n.a.	Three weeks' vacation for employees with 12 years' seniority. One additional paid holiday. Hospitalization daily benefits increased from \$4 to \$6. Wage reopening 4-10-51. (United Paperworkers, CIO)

¹Type of worker: WE, wage earner; S, salaried employee.
*Obtained from press reports—information not verified.
n.a. Not available.

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Statistical Division

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In the Record

There Are Things To Do

Nobody wants to think about such a thing—a whole city razed in a matter of seconds. Nuclear radiation, indescribable destruction and death are all words that carry their own brand of terror. The easy thing to do is bury one's head in the sand and just keep saying it won't ever happen.

That's the easiest—but *not* the safest. For like most other things, intelligent planning and thorough foreknowledge of what is involved can mean an enormous saving of life if such a disaster does strike. Every executive will want to read with care "If the A-Bomb Drops" by Maxil Ballinger to learn in the most concrete terms what can be done to hold loss of life and property to the very minimum.

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Wage Increases: Now and Later

A study of 362 contracts signed during 1950 shows that two out of three boost wages. This emphasis on increases, even though coupled with new or liberalized fringe benefits, is evidenced in the analysis, by union and by industry, on page 296. However, a wage freeze brought on by a program of fuller mobilization is a possibility that may seriously affect many of these contracts. During World War II, escalator clauses that raised wages along with the cost of living were subject to several important rulings which may very well hold again in the near future. A concise account of these official decisions is given on page 302.

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Check List for Management

Korea—yesterday a little-known peninsula in the Pacific; today a place that may change the pattern of all our lives. And fast, too. Partial mobilization, which could turn to the all-out variety, calls for special planning by industry. With this in mind, THE CONFERENCE BOARD asked a group of the nation's leading personnel men to get together and prepare a check list of the various matters management must be ready to deal with. The list these men prepared ranges from such a major topic as the armed forces' manpower requirements to miscellaneous items, such as working

out transportation facilities to get employees to and from work. Check your own planning against this list, starting on page 292.

And when it comes to specific questions of which employees will likely be called by the military, and when, one small company found existing personnel records altogether inadequate for making any real evaluation. The company prepared a mimeographed form which was sent to all male employees to fill out. Now the necessary information is easy to get at and complete. The form used is reproduced on page 295.

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On the Cost of Living

The first month of war in Korea was accompanied by a substantial, but not a record, increase in cost of living items. Preliminary figures have been compiled by THE CONFERENCE BOARD for July 15 and they show a rise of over two points in the index from the middle of June. Percentagewise the increase was about 1.3%, enough to raise the cost of living close to the 1948 record. The volatile element in the jump was food, which went up by about 3%. Whether the upward thrust will bring on rationing and price controls is not yet clear. An arbitrary criterion of a 5% increase as justification for controls was suggested by Senator Fulbright.

A review of cost of living changes during and after World War II is contained in the regular story on the trend in consumer's prices on page 309. Preliminary July statistics are touched on here, thanks to special effort by the Statistical Division to get the job out at an early date.

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For Faster Pension Adjustment

The period of waiting for determination of the exact amount of the retired employee's OASI benefit by the Social Security Administration has often presented a serious problem. Until this necessary information is received by the company, the adjustment of the private pension to the OASI allowance is blocked. The new procedure formulated to make this data quickly available will therefore be welcomed. It is given in detail on page 299.

If the A-Bomb Drops

Everyone has seen a fire. They know the tragedies that come from doing the wrong thing. They know the disasters that never happen because the right thing is done. A plan of action has been thought through and is ready. Countless serious injuries never occur because of the preventives. Countless lives are saved because of the plan. "Walk—don't run." "Wet handkerchief over the mouth." "Close all doors and windows." "Walk to the nearest exit."

But what executive knows what to do about an atomic bomb? For that matter, what executive has seen an atomic burst? He simply can't know what to do until he knows what an atomic bomb does when it goes off. Only then can he begin working toward the prevention of injuries. Only then can he develop a plan that will save countless lives.

With the invasion of South Korea and the possibility that it might spark a third World War, The Conference Board recognized immediately that executives everywhere would want specific and reliable information about the effects of an atomic bomb. They would want this information because, as the recognized leaders in their companies, their employees had the right to expect life-saving guidance in case of an atomic burst. Just as in the case of the fire that may never be ignited, they must be prepared for the worst.

Accordingly, The Conference Board has prepared the following general guides or suggestions.¹ A forthcoming Conference Board Report will discuss the reasons for these guides.

S. AVERY RAUBE, *Director*
Division of Personnel Administration

IF AN atomic bomb drops on your plant, you'll have nothing to worry about. Chances are you will be dead. But who knows what will be the direct target? And failing that knowledge, measures to ward off unnecessary casualties can be taken. Three basic considerations affect your planning for possible atomic bomb casualties:

- You see the bomb flash before you hear the explosion.

¹These suggestions are based primarily on training lectures and publications of the Atomic Energy Commission, especially the handbook, "The Effects of Atomic Weapons," just published by AEC

- The major A-bomb casualties result from fire and flash burns.
- Nuclear radiation from the bomb is likely to produce more panic than casualties.

Immediate Action

Many lives can be saved in the short interval between the time when the bomb explosion is seen and when, a split second later, it is heard. Concerning that split second, these are immediate protective measures that the employee should be told about in advance.

If Out of Doors:

- • Do not look in the direction of the explosion which will be indicated first by a sudden increase of the general illumination.
- • If you can reach shelter behind a tree, around a corner, in a doorway, in a step or two, do so immediately. Turn away from the light and crouch.
- • If in the open or if shelter is more than a few steps away, drop to the ground instantly. A second, not a minute, means the difference between life and death. Curl up and attempt to shade bare arms, hands, neck and face with your clothed body. This will not protect against initial nuclear radiation, but may help in reducing flash burn.
- • Hold your curled-up position for at least ten seconds. The immediate danger is then over.

If in a Building or at Home:

- • Drop to the floor immediately with your back to the windows or open doorways.
- • Crawl underneath a desk, table, counter, etc. Such action will shield you against splintered glass due to the blast wave. It may protect you against flash burn but not against deadly radiation if within the lethal range.
- • Avoid windows or doorways for at least one minute after the explosion, since the shock wave and resultant blast effects (falling debris, air shock, splintered glass, etc.) continue for some time after the explosion.
- • The safest places inside a building are the interior portions. Keep as close to these as possible.

Keeping employees from looking toward the flash is one of the most effective immediate protective measures. Temporary blindness, which usually lasts for thirty minutes, may occur if you look directly at the

explosion. But checking that natural reaction is probably one of the most difficult problems. An intensive training program of "flash drills" to break that habit may be in order.

If, after the explosion has been heard, your plant is still standing, all windows and doors and outside ventilation systems should be closed. (At a distance of 0,000 to 12,000 feet from the point of explosion ground zero) many windows will not be broken.) Provided there is no leakage from outside, air-conditioning systems can remain in operation. The employees should remain indoors or in shelters until directed to leave.

The plant manager should immediately attempt to contact local civil defense authorities, by telephone if possible, or by messenger if communications are disrupted. Knowing in advance local civil defense plans, what the evacuation routes are, where the control centers are, who in your area is in charge of civil defense, etc., is of immediate importance. It is only through cooperation with civil authorities that you can help prevent further tragedy.

EFFECTS OF AN ATOMIC EXPLOSION

While these are immediate steps for the first minute after an A-bomb explodes, a fuller company program can be developed while there is still time to plan, based on knowledge of A-bomb effects.

The effects of an A-bomb explosion are similar to those of conventional bombs—except for their magnitude and the added radiation hazard that comes from the atomic explosion.

The major effects of an atomic explosion are classified as follows:

1. Extreme air-blast pressures cause high wind velocities and heavy air-shock waves. These result in collapsing buildings, heavy falling debris, splintered glass, etc., and personal injury from the shock blast.

2. Intense thermal radiation, instantaneous with the explosion, causes severe flash burns. Fires result from the intense heat and from broken gas mains, overturned stoves, etc.

3. Acute nuclear radiation occurs at the instant of detonation. Contamination of the area by residual nuclear radioactivity may develop later.

PROTECTIVE MEASURES

Here, in outline form, are plant protective measures that can be taken in advance.

Protection Against Air Blast

The most serious danger to personnel and equipment in a plant would be from building collapse. Protective measures against an air blast from an atomic bomb fall into two categories: measures to be taken in terms of present buildings; and measures to be taken in terms of plants about to be built.

In Present Buildings

1. An analysis of the structure would reveal the weak points, and steps should be taken to strengthen them. The AEC handbook, "The Effects of Atomic Weapons," suggests that "adding bracing and shoring or new transverse reinforced-concrete walls would, in general, be more feasible than strengthening the frame."

2. Wire glass, plus half-inch-mesh wire screening securely nailed to window frames, is suggested as a partial measure of protection against splintered glass. Methods used for conventional bombs, such as pasting muslin over the surface of the glass, are ineffective with the A-bomb.

3. It has been suggested that plastic substitutes be used instead of glass.

4. Blast walls of reinforced concrete twelve inches thick and secured to keep from overturning will be effective in reducing damage to essential equipment such as transformers, generators, etc.

In New Construction

1. Locate new buildings at least three miles from vital targets.¹

2. Use corrugated asbestos in place of corrugated iron as a covering for a one-story factory building. The former shatters readily and therefore decreases the loads on the building frame, as well as reducing injuries and damage from pieces of siding and roofing striking personnel and equipment.

3. Avoid extensive use, in new construction, of bricks and other loose facings, or large amounts of glass which become dangerous missiles in the blast, and which, as debris, serve to block the streets at a critical time.

4. Vital above-ground plants with combustible contents should be housed in structures without openings.

5. The fire equipment of an industrial plant should be housed in structures capable of withstanding the blast at about half a mile from the point of explosion. Underground construction or concrete walls two feet thick would provide this protection.

6. Use fire-resistive design in all new construction.

¹The following facilities have been listed by the National Security Resources Board as the kind of facilities of interest to a potential enemy in a given area: a. An individual plant, producing a large percentage of a highly critical item. b. All major developments, industrial or otherwise, which could be considered highly inflammable or explosive. This would include such things as oil refineries, oil storage facilities, paint and chemical plants. c. Public utilities such as power plants and water systems which service a general industrial area producing important quantities of essential war materials. d. Railway, water, and other transportation facilities serving the area. e. Key establishments of the armed forces. f. Dams and related works and bridges. g. Major air bases and air supply centers. h. Several plants all engaged in the production of related items of military importance or materials, such as trucks and steel. ("National Security in Industrial Location," National Security Resources Board, Washington, D. C., September, 1948.)

Protection Against Flash Burns and Fire

Flash burns result in the instant the bomb explodes. The only protection against these are the immediate steps already mentioned above. Precautionary steps that can be taken are:

1. Eliminate black or dark materials from windows. Light or white fabrics reflect the thermal radiations while black absorbs them.

2. Provide medical stores and facilities for treating a large number of severe burns.¹

But it must be realized that the atomic bomb is, in major proportion, an incendiary weapon. In reducing the fire hazard, the following steps can be taken.

1. House fire-fighting equipment in an underground shelter. (At Hiroshima, 70% of the fire-fighting equipment was crushed and 80% of the personnel were unable to respond.)

2. Provide an emergency source of water supply. A deep well is unlikely to be contaminated by radioactive particles and therefore would be a good source of drinking water as well as an auxiliary supply for fire fighting.

3. Reinforced concrete blast walls, twelve inches thick and secured to keep from overturning, would be effective in protecting boilers and furnaces.

Protection Against Nuclear Radiation

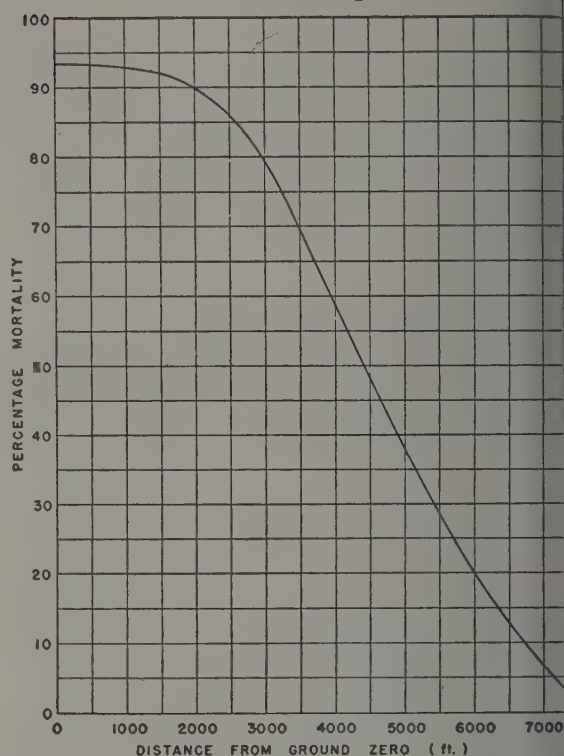
The nuclear radiation effect of an atomic blast has received the most notoriety. This effect has had undue publicity. It has created widespread fear which could be the cause of mass hysteria at time of an atomic explosion. Management can help allay these essentially ungrounded fears and short-cut wholesale panic that might add significantly to the confusion and loss of life. (Deaths from nuclear radiation accounted for only about 15% of the fatalities in the Japanese bombings. On the other hand, burns caused 50% of the total deaths.)

In terms of immediate and murderous nuclear radiation, protection may be gained in taking shelter immediately behind some structure or a pile of dirt within the second of seeing the atomic flash. Since the lethal range (approximately 4,200 feet) is greater than the half-mile distance in which total destruction from the blast takes place, this action may save lives.

Residual radiation, though not an immediate problem, may develop after the explosion. It occurs after

¹The Atomic Energy Commission says: "Ideal care of a severely burned patient, according to one such case, would include provision for 42 tanks of oxygen, 3 nurses, 2.7 miles of gauze, 36 pints of plasma, 40 pints of whole blood, and 100 pints of other fluids plus drugs such as morphine and antibiotics. Obviously such ideal treatment would be impossible under catastrophe conditions. Although not all the burn cases would require as much support as the case cited above, this example nevertheless makes apparent the magnitude of the burn problem alone.

Chart 1: Personnel Mortality in Terms of Distance from Explosion



Source: Atomic Energy Commission.

the blast effect, flash burns, and initial nuclear radiation have taken their toll. Residual radiation is dangerous only if personnel are exposed to its effect over a period of time or if the radioactive particles should enter the body.

There is one fundamental that must be understood in regard to any attempt to reduce residual radiation. That fundamental is: when you rid surfaces, clothing, or objects of radioactive particles it does not destroy this radioactivity; it only transfers it from one place to another. It is therefore important that arrangements be made prior to decontamination for the disposal of the radioactive wastes. Deep burial in the ground or at sea is the safest.

Protection against residual radiation involves the following:

General Area

1. Monitoring of contaminated areas by qualified radiological personnel should follow as quickly after the explosion as is possible.

2. Areas found to be unsafe should be so designated and all persons immediately evacuated to a decontamination center.

Food and Water

1. Cafeteria food which is unprotected or food in contaminated areas should not be eaten. If in doubt concerning whether food is contaminated, refrain from eating it until it can be checked.

2. Caution should be observed as to drinking water after an atomic explosion until it is chemically checked to determine whether it contains radioactive particles or harmful bacteria. This latter is just as important as broken sewer mains, etc., may have contaminated the water supply. Normally, with the source of water supply in a reservoir distant from the city, the danger of contamination by residual radiation would be unlikely. (Radioactively contaminated water can be purified by distillation. Mere boiling of water contaminated with radioactivity is of no value.)

Clothing

Outer clothing might have to be destroyed if contaminated by nuclear radiation.

Personnel

1. Thorough washing for several minutes (usually three by the clock) with soap and water, and repeated at least three times should remove radioactive particles from a person. Special attention should be paid to the hair, nails, skin folds, and areas around body openings. Certain synthetic detergents such as soapless household cleaners are recommended.

2. If soap and water treatment does not reduce the activity to a safe level, chemical agents should be used.¹ Care must be taken, however, not to tear the skin or drive the radioactive material into wounds, body openings, or skin folds.

Equipment and Buildings

1. Inanimate objects can be scrubbed with household cleaning and scouring compounds, grease removers, paint cleaners, gasoline, etc.

2. All cloths or other materials used in decontamination procedures must be buried, not burned, unless special incinerators which prevent the escape of the radioactive material in the smoke are available.

3. Live steam would be helpful in decontaminating industrial equipment and some types of buildings.

4. Badly contaminated clothing and furnishings would have to be discarded and buried or burned in proper incinerators designed to prevent escape of radioactive smoke. If not seriously contaminated, laundering would probably be effective.

5. Interior walls and floors of buildings still surviving after an atomic burst could probably be decontaminated by thorough washing and then papered or repainted.

¹Isotonic saline of pH2 or depilatory or keratolytic agents, such as a mixture of barium sulfide and starch, will help remove activity from the skin by vigorous rubbing.

MANAGEMENT RECORD

6. Concrete, stone, and brick buildings, if still standing, would probably have to be wet-sandblasted and reroofed to decontaminate them.

OVER-ALL SHELTER PROTECTION

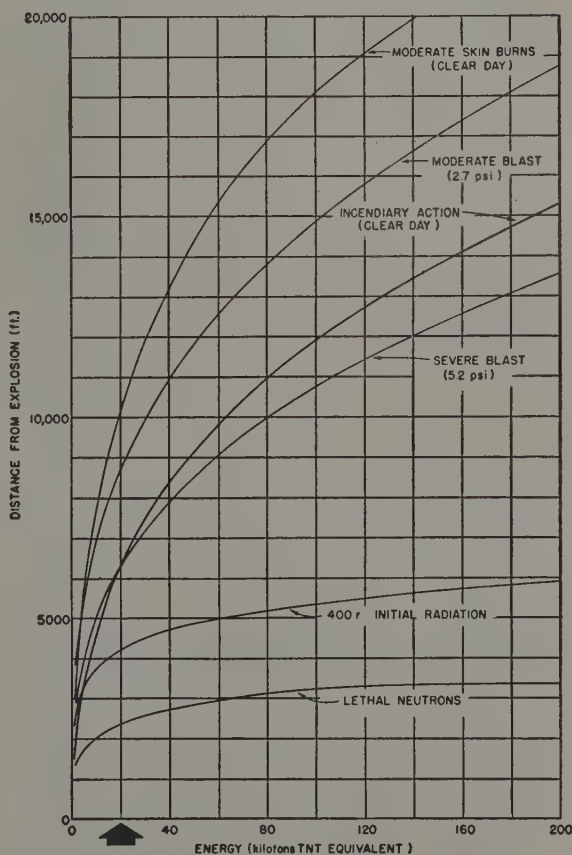
The protective measures so far discussed pertain to existing facilities. But more adequate defense for personnel against atomic blast can be provided in a specially constructed shelter.

General considerations as to shelter provisions should take into account the following factors:

- Warning to be expected.
- Time required for persons to reach shelters.
- Number of persons in a shelter.
- Period of occupancy.
- Degree of protection to be afforded.

Since it is likely that there would be little warn-

Chart 2: Effects of an Atomic Explosion

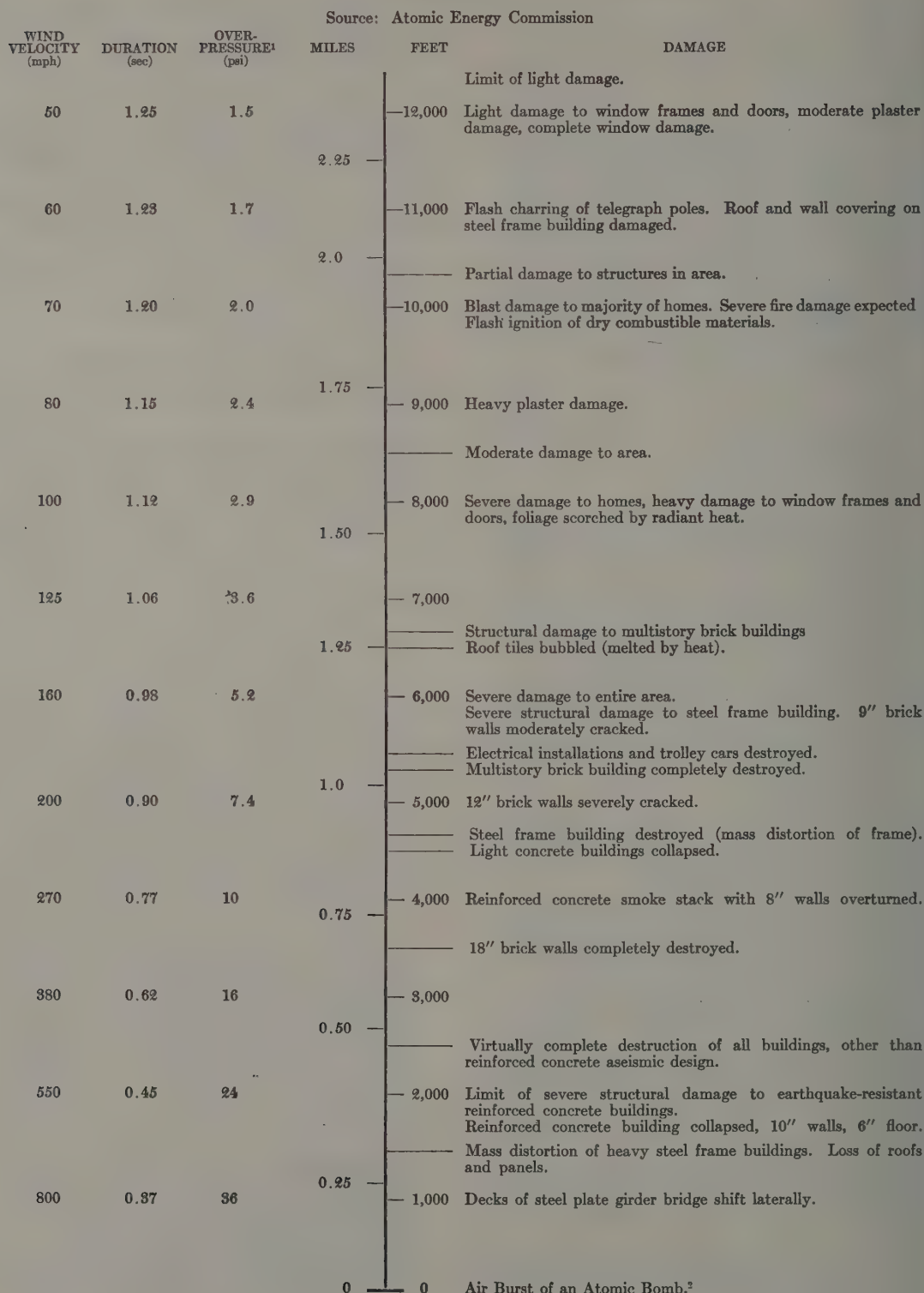


Source: Atomic Energy Commission.

▲ Types of bombs exploded over Hiroshima and Nagasaki.

Note: The roentgen, symbol r, is the practical unit of measurement for nuclear radiation. A roentgen is the amount of X-radiation necessary to go through 1 cubic centimeter of air at standard pressure and temperature. Of those exposed to a dosage of 400r, approximately 50% would die.

Chart 3: Air Blast Effects of an Atomic Bomb



¹Amount of pressure in excess of standard atmosphere.
²Similar to those dropped over Hiroshima and Nagasaki.

prior to an atomic attack, shelter must be found, general, close to the place of work. The placing of shelters in buildings where personnel work seems the better choice.

In designing and locating shelters to protect personnel, consider the following:

Shelters should have reinforced concrete walls 2 feet thick if separate or if part of a steel-mill type building.

Shelters located on the lower floors of a well-constructed, fireproof, reinforced-concrete or steel-environment building should have a twelve-inch reinforced-concrete wall anchored to the floor to prevent dislodgement, and braced or secured at the top to avoid overturning. This must be well tied in to the building structure.

If wood is used in outdoor shelter construction, there should be a layer of soil or sandbags to a thickness of the equivalent of about two feet of concrete. A buried or semiburied shelter will be the best protection against air blast, as the earth will also protect against radiation.

Shelters should be located away from areas where heavy debris load would be encountered. In frame structures, they should be designed to take a static load on the roof of 500 pounds per square foot.

Shelters should have no windows and there should be at least two exit doors designed to take the same pressure as the walls. A ramp entrance is better than stairs.

Emergency lighting should be provided in case of power failure.

Because of danger of contamination and possible effects of water pressure, an emergency water supply should be provided.

The most effective method for providing adequate shelter ventilation is to use a pressurized installation in which the air is forced through special air filters¹ which will remove radioactively contaminated particles.

To protect company assets and assure perpetuity of the company, important records, corporate papers, stock certificates, etc., should be placed in an underground vault or in structures made of reinforced concrete with walls at least two feet thick.

Shelters vary in capacity, and the equipment that can be provided will be more extensive in a large shelter than a small one. Generally, the following should be considered in design.

VENTILATION

Mechanical ventilating system.

Hand-powered ventilating system if no power available.

The AEC handbook on "The Effects of Atomic Weapons" states that the Chemical Warfare Service No. 6 filter is satisfactory.

MANAGEMENT RECORD

GENERAL

Telephone between inside and outside of shelter.

Lights—battery operated.

Light system if power is provided.

Power plant with separate gasoline or diesel drive, in separate part of shelter accessible to outside air, with operating switches in closed portion of shelter.

Benches

Bunks where justified

Chemical toilets

Drinking water

Emergency rations

First-aid equipment

Blankets

DESTRUCTIVE POTENTIAL OF A-BOMBS

The foregoing consideration of protection against atomic blasts are based on known facts concerning atomic weapons. They are based on the conviction among authorities that it is not hopeless to take action to protect personnel against atomic weapons. They acknowledge the facts of Hiroshima and Nagasaki. There, though thousands were killed, many thousands also survived and there would have been more survivors had the population heeded the air raid warnings and taken cover. For instance, on the morning of August 9, 1945, only about 400 people were in the tunnel shelters in Nagasaki when the second atomic bomb fell. The shelters were adequate to protect 30% of the city's population. People in the tunnel shelters escaped injury unless they were exposed in the entrance shaft.¹

Greatest mortality and destruction occurs within one-half mile of the explosion. Chart 1 shows that mortality percentage is greatest within the first half mile of the explosion—after that, as Chart 1 shows, it drops off rapidly.

Chart 2 shows what various effects are produced at certain distances from an atomic explosion. This chart is based on bombs similar to those dropped in Japan of about 20 kilotons TNT energy. It shows that flash burns and fires are dangerous over a far greater area than the initial nuclear radiation or air blast.

Chart 3 shows how permanent structures fare in an atomic blast: virtually complete destruction within a half-mile radius; however, beyond the mile and three-quarter mark, there is moderate to light repairable damage.

That's why, as a company executive, you'll have nothing to worry about if a bomb drops on or within a half mile of your plant. But if you're outside that limit, advance planning against blast, burn, incendiary, and nuclear radiation can save many lives.

R. MAXIL BALLINGER

Division of Business Practices

¹"Effects of Atomic Bombs on Hiroshima and Nagasaki," U. S. Strategic Bombing Survey, 1946, Washington, D. C.

Manpower Mobilization—A Check List

Immediately after the first news of the Korean invasion arrived, THE CONFERENCE BOARD asked a selected group of the nation's leading personnel administrators to list the things that personnel directors ought to be thinking about. The following are among those who devoted time to help the Board compile the check list published below.

Frederick G. Atkinson,
Director of Personnel and Industrial
Relations
R. H. Macy & Co., Inc.

John S. Bugas,
Vice President, Industrial Relations
Ford Motor Company

E. W. Burgess,
Vice President and Director of Industrial
Relations
General Mills, Inc.

Samuel L. H. Burk,
Director of Industrial Relations
Pittsburgh Plate Glass Company

L. B. Cuyler,
Vice President, Personnel Department
The National City Bank of New York

Ellsworth S. Grant,
Vice President
The Allen Manufacturing Company

Hiram S. Hall,
Vice President for Personnel
Bigelow-Sanford Carpet Co., Inc.

Alexander R. Heron,
Vice President
Industrial and Public Relations Dept.
Crown Zellerbach Corporation

R. S. Livingstone,
Vice President, Personnel
Thompson Products, Inc.

E. J. Lyons,
Vice President for Personnel
Merck & Co., Inc.

Ralph L. Mason,
Manager
Employee Relations Department
Standard Oil Company (New Jersey)

Ralph M. Monk,
Director of Industrial and Labor
Relations
Caterpillar Tractor Co.

Harold F. North,
Manager of Industrial Relations
Swift & Company

Andrew J. Percival,
Director of Industrial Relations
Chef Boy-Ar-Dee Quality Foods, Inc.

Thomas R. Reid,
Vice President, Human Relations
McCormick & Co., Inc.

G. R. Schenck,
Director, Industrial Relations
Riegel Paper Corporation

Richard W. Schuttenhelm,
Labor Relations Manager
McKesson & Robbins

Clark C. Sorensen,
Director of Personnel
Harris-Seybold Company

James W. Towsen,
Vice President
West Virginia Pulp and Paper Company

Personnel Administration

- ☐ Concentrate more than ever on the fundamentals of sound personnel administration. Willing effort and teamwork are no more spontaneous in wartime than during peace. And, if anything, high morale is more critically needed during war.

Manpower Drain to Armed Services

- ☐ Find out which employees are in the National Guard and the organized Reserves¹
- ☐ In view of possible extension of Selective Service, bring pertinent facts about all employees up to date (age, marital status, dependents, present or former draft classification, etc.)
- ☐ Review draft law of 1948 regarding reemployment rights guaranteed to men and women who move into the armed forces, whether as volunteers or draftees
- ☐ Estimate maximum possible loss of personnel to armed services by type of job
- ☐ Review and redefine company policy with regard to:
 - ☐ Requests for deferments

¹See "Surveying Potential Manpower Losses," page 294 of this issue.

- ☐ Continuation of inductees' pay while in service
- ☐ Effect of leaves of absence on continuous service record
- ☐ Relative permanence of status of new employees, placements and those hired for completely new jobs
- ☐ Reinstatement
- ☐ Pensions (with regard to present employees, employees in military service, and pensioners recalled to work)
- ☐ Group insurance plans (life, accidental death and membership, hospital, surgical, medical, dependent coverage)
- ☐ Vacations
- ☐ Induction bonus payments? (Special consideration executives? Is amount of bonus related to length of service?)
- ☐ Payment to employees who undertake part-time, non-paying jobs (aircraft spotters, draft board members, etc.)
- ☐ Consult production executives on manpower requirements under varying conditions (additional shifts, etc.)
- ☐ List possible skills needed for replacements and possible expansion
- ☐ Study community's labor resources in light of those needed (including part-time workers)

Take inventory of retired older workers, available wives and other members of present male employees' families

Take inventory of older employees approaching retirement, consider possibility of postponing retirement

Plan for centralizing task of obtaining deferments and dealing with government agencies on manpower problems.

Develop close contact with local draft boards concerning their deferment policies and practices)

Take preliminary steps to prepare needed information should deferments have to be requested

Provide for careful and complete records of employees entering military service; leave no question as to which employees are permanent and which are replacements for employees in military service.

Set up system of exit interviews with men called to service and system of records to keep contact with them on regular basis while away.

Manpower Drain to Government Agencies

Review and redefine company policies regarding loan or transfer of key personnel to government agencies

Try to estimate which key people might be invited to government agencies

Scrutinize entire management group. Has each key person a satisfactory backstop?

Identify members of the management group ready for increased responsibilities in case of expansion or in case their superiors are recruited for government service

Recruiting and Employment

Tentatively line up sources of new employees

Examine adequacy of hiring facilities (space, location, lay-out, personnel needed)—are they adequate for foreseen needs?

Consider employment process in light of possible demands

Consider desirability of adding needed functions not now part of regular hiring procedure (medical examinations, security requirements, psychological tests, job analysis, etc.)

Consider possibilities of moving some of the company's operations to other locations to tap new labor supply

Decide tentatively whether employment requirements should be maintained or lowered. Take steps to acquaint all supervisors with these decisions

Re-examine employment application forms. Plan changes that may be needed

Consider possibility of microfilming these and other important records and make provisions to protect them in case of accident or disaster. (This protection may suggest duplicate records kept in different places)

After reviewing and redefining company's policy on permanence of status of new employees, insure that each new employee gets a clear understanding of that policy with respect to his own situation

Devise induction procedures effective in getting new people oriented to new work and surroundings in the shortest possible time

Plant Protection and Security

Review adequacy of guard force

Review physical situation of company. Are provisions for coping with explosions or other types of disaster clearly understood and adequate?

MANAGEMENT RECORD

- ☐ Contact appropriate agencies for advice about methods of identifying and handling Communist Party members and sympathizers already on the pay roll
- ☐ Become familiar with government's requirements and suggested procedures for identifying poor security risks among new applicants (including fingerprinting, photographing, etc.)
- ☐ Check facilities and procedures for identifying persons entering company premises

Training and Development

- ☐ Look at key personnel. What does each individual need in order to (a) handle his present job better and (b) prepare himself for possible new assignments?
- ☐ Take steps to fill these individual training needs
- ☐ Study each operation in the company from the point of view of training new people in varying numbers
- ☐ Train all management people in induction process
- ☐ Decide on degree of centralization of training function and on the relationship of training department to operating or production departments
- ☐ Consider each company operation. What are the best and quickest methods of training new people (vestibule, on-the-job, use of visual aids, etc.)
- ☐ Investigate possible training help from government agencies, local schools and colleges, civic organizations, etc.
- ☐ Special training—what to do in emergency about:
 - (a) Fire fighting
 - (b) Air-raid shelters
 - (c) First aid

Wages and Salaries

- ☐ Examine wage and salary levels to determine their adequacy (a) under tighter manpower conditions, and (b) under possible wage and price freeze
- ☐ Do you have established pay schedules, including job classification rates or rate ranges and a plan for making individual adjustments within and between such rates or rate ranges?
- ☐ Review and redefine policies on promotions and reclassifications
- ☐ Be sure job descriptions and classifications are accurate and up to date
- ☐ Make preliminary plans for company-government agency contacts on salary and wage matters. Earmark the individual most likely to head up such a unit and let him know about his possible assignment as soon as possible
- ☐ What about pay for work on Saturdays, Sundays and recognized holidays?
- ☐ Do you maintain adequate differentials between the rates of pay of supervisors and the earnings of their subordinates, including overtime?

Working Hours and Work Schedules

- ☐ What are the best hours for starting and stopping work whether on one, two or more shifts? What about the desirability of swing shifts?
- ☐ On the basis of available information concerning your industry, what are the optimum working hours per day? Per week?
- ☐ Determine top management's thinking with regard to paying for eating time of employees in 2nd and 3rd shifts

Internal Communication

- ☐ Examine company's organization structure; is it sound from the point of view of providing regular and effective channels of communication?
- ☐ Check communication procedure; will each supervisor get information pertinent to him and his group before his subordinates get it?
- ☐ Look at communication media (bulletin boards, special letters to employees, house organs, special and regular memoranda, group meetings, suggestion systems, grievance procedures, attitude surveys, etc.) Are they now adequate for effective communication during:
 - (a) greatly expanded operations, and
 - (b) possible periods of disaster?
- ☐ Make preliminary plans for prompt dissemination of new government rules and regulations to all concerned
- ☐ Determine top management's attitude toward possible proposals along the lines of labor-management committees
- ☐ Think about rumor clinics—to alert employees to dangers of gossip, enemy propaganda, etc.

Collective Bargaining

- ☐ Will the union and the company agree to waive automatically provisions in the existing contract that may be superseded by government regulations during an emergency?
- ☐ Consider the effects of various contract clauses on possible employment and upgrading of women

- ☐ Is there much likelihood that the union will soon demand a cost-of-living escalator clause so as to keep up with possible wage-price spiral? If so, do you know what answer will be, and why?
- ☐ Many recent contracts follow the GM pattern. What about prior commitments on wage progressions, such as escalator clauses and automatic yearly increases in case of government wage freeze?
- ☐ Should your new union contract be long term or short term in view of possible wartime emergencies?
- ☐ Try to determine the union's attitudes on all pertinent items in this check list

Miscellaneous Items

- ☐ Try to determine (and perhaps even plan for) transportation facilities required to get employees to and from work
 - ☐ Consider the advisability of setting up a "housing unit" to help out-of-area employees secure living quarters
 - ☐ Employee recreation facilities and activities
 - ☐ If company is in nonessential industry, what is its position regarding leaves of absence for employees who go to essential companies?
 - ☐ Check cafeteria and other employee food services to determine adequacy of staff and physical facilities
 - ☐ Look at safety program from point of view of expansion order to be effective—especially with "green" employees
- *See "Escalator Clauses in a Wage Freeze," page 302 of this issue

Surveying Potential Manpower Losses

STEPPED-UP Draft Call Announced, "Veterans Urged To Volunteer," "National Guard and Marine Reserves Mobilized." These daily newspaper headlines are causing justifiable concern among personnel executives. As the armed forces demand additional manpower, company executives can expect that certain employees on the pay roll will be leaving for active military duty. And whether employees volunteer, are recalled to active duty, or are drafted, plans must be made immediately to meet these potential losses.

"Whom are we likely to lose to the armed forces?" That's the big question that must be answered when drawing up a manpower replacement plan. Turning to the official personnel records to discover the mobilization status of employees is probably the first thought of many executives. But, as one small company recently discovered, the information needed to make a workable manpower survey did not show up on existing personnel records. Draft classifications of employees in the eighteen- to twenty-five year age bracket were never placed on record. Military histories of veterans were incomplete. And notation as to the type of reserve component, if any, in which the veteran was

currently enrolled was not available in the records.

Accordingly, a mimeographed questionnaire was prepared and distributed to all male employees. This form is reproduced on the next page. It was designed so that even basic information already available in the personnel records, such as date of birth or dependency status, would be instantly ready for review.

When all the completed forms were in, company executives had a fairly accurate picture of the acceptability of the staff to manpower calls from the military. Of immediate interest to the company was the draft classification of its eighteen- to twenty-five year olds, and the names of those employees who were in an active reserve unit. However, sufficient information was requested on the form so that later, should the draft age be extended or should inactive reservists be alerted, the survey would show the most likely to be affected. In addition, since in calling up of reservists, both active and inactive, is far being done on a selective basis, the type of specialized experience the man had in the armed forces was requested.

JOHN J. SPEED

Division of Personnel Administration

THE CONFERENCE BOARD

SURVEY OF CURRENT MILITARY STATUS OF MALE EMPLOYEES

NAME: _____ DATE OF BIRTH: _____
 DEPARTMENT: _____ MARITAL STATUS: _____
 ROLL NUMBER: _____ NO. OF DEPENDENTS: _____

Please check in which of the following three groups you fit. Then please answer the questions that relate to your group.

- GROUP I. Employees in the age group 18 to 25 inclusive.
- GROUP II. Employees 26 years of age and over, and a veteran of World War II.
- GROUP III. Employees 26 years of age and over, and no previous active military service.

GROUP I. 18 TO 25 YEAR OLD GROUP

Have you ever had any previous active military duty? YES _____ NO _____
 a. If YES: 1. Branch of service: _____
 2. Dates: From _____ to _____
 3. Highest rank or rate held: _____
 4. Specialty designation, if any: _____
 5. Are you now enrolled in any of the armed forces' reserve components?
 Yes _____ No _____ If yes, what component? _____
 b. If NO: 1. Have you been attached to a National Guard or organized reserve
 unit since June 24, 1948? _____ What component? _____
 What is your current draft classification? _____ (Note: Please keep the
 personnel department advised of any changes in your draft classification.)

GROUP II. VETERAN, OVER 25 YEARS OF AGE

Record of previous service:
 a. Branch of service: _____
 b. Dates: From _____ to _____
 c. Highest rate or rank held: _____
 d. Specialty designation, if any: _____

Are you currently enrolled in any of the armed forces' reserve components?
 YES _____ NO _____ If YES, please check the applicable one below. (Note to
 ex-officers with no military training since separation: Unless you have def-
 initely resigned your commission, you are probably carried in the inactive
 reserve where applicable)

ARMY	NAVY	AIR FORCE
____ Officers Reserve Corps	____ Organized Reserve	____ Organized Air Reserve
____ Enlisted Reserve Corps	____ Fleet Reserve	____ Volunteer Air Reserve
____ Inactive Reserve Corps	____ Volunteer Reserve	____ Inactive Air Reserve
	____ Inactive Reserve	
MARINES	COAST GUARD	NATIONAL GUARD
____ Organized Reserve	____ Volunteer Reserve	
____ Fleet Marine Reserve		
____ Inactive Reserve	____ Other: (Please specify) _____	

If you have checked any of the active reserve components above, please indicate
 the type of specialty training you are now receiving: _____

GROUP III. NONVETERAN, OVER 25 YEARS OF AGE

Without committing yourself to any future decision, do you now have any thought
 of volunteering to serve in any of the armed forces? YES _____ NO _____ NO OPINION _____

1950 Wage Negotiations—The First Half

WHAT is happening to wages in 1950? They're going up—most often about 5 cents. And what about fringe items? They are also included in contracts, but generally along with a wage boost. The most frequent fringe item is new or liberalized group insurance. After that come new holidays, longer vacations and—pensions.

Here in a nutshell is what analysis of 362 wage negotiations during the first half of 1950 shows:

WAGE SETTLEMENTS

In two out of three contracts (237 out of 362) negotiated since January 1, employers and union leaders have agreed to a wage boost. In most (210), the negotiators signed for a straight across-the-board cents-per-hour increase. And in seventy-four of these, they agreed to a 5-cent wage boost. In slightly less than one third (121), negotiators signed agreements that do not provide wage boosts, but do give added fringe items such as new holidays or pensions. Settlements that do not provide for either wage boosts or added fringe items amount to only 5% (see Table 1).

Of the 237 wage increases recorded, fourteen are percentagewise, eighteen provide for weekly increases and five for monthly increases. As might be expected, most of the percentage, weekly and monthly increases

occur in nonmanufacturing industries. (See Table 2.)

FRINGE BENEFITS

In close to two out of three contract settlements (229 out of 362), employers and union leaders signed for new or liberalized fringe benefits. Of these, 143 also provide for an increase in wages.

Most frequent fringe benefit granted is new or liberalized group insurance. It was agreed to in more than one out of three (143) contract settlements. Next most frequent is more liberalized vacation clauses signed by negotiators in sixty-three contract settlements. Added holidays follow closely—there were 62. Of sixty-two settlements that provide for a new or liberalized pension program, only fourteen provide wage boosts. (See Table 1.)

UNION PATTERNS

The 1950 wage settlements show that AFL unions concentrated more on securing wage increases, while the CIO went after fringe benefits: 72% of the AFL union contracts raise wages as compared with 53% of the CIO unions. On the other hand, nearly four times as many CIO contracts added new or liberalized pensions as did AFL contracts.

Many individual unions seem to have established

Chart 1: Wages and Benefits in 362 Union Contract Settlements, January 1, 1950-July 15, 1950

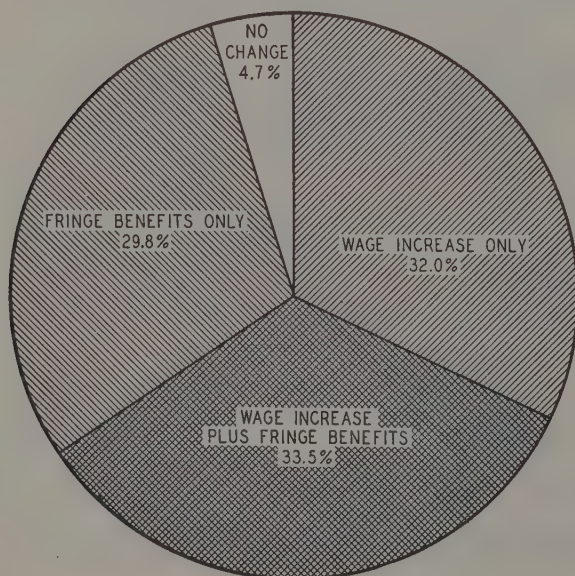
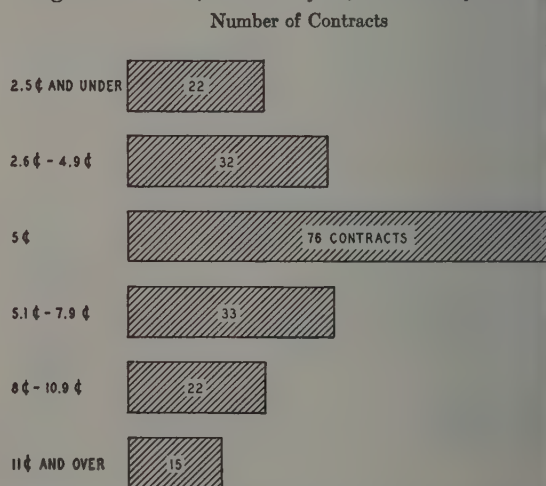


Chart 2: Amounts of General Wage Increases Specified in 200 Union Contracts Granting Hourly Wage Increases,¹ January 1, 1950-July 15, 1950



¹In addition, five contracts granted monthly increases ranging from \$7.50 to \$18.00; eighteen granted weekly increases of \$1.50 to \$5.00; fourteen others granted daily increases of 1 cent per day or per cent raises. Total number of contracts granting wage increases is 297.

**Table 1: New Wage and Benefit Provisions of
362 Union Contract Settlements
January-July, 1950**

	Total		AFL		CIO		Ind.	
	No.	%	No.	%	No.	%	No.	%
Total.....	362	100.0	134	100.0	125	100.0	103	100.0
Wage increase granted	116	32.0	55	41.0	26	20.8	35	34.0
Wage increase plus new or liberalized fringe benefits.....	121	33.4	42	31.3	40	32.0	39	37.9
New holidays.....	33	...	14	...	7	...	12	...
Liberalized vacations	43	...	13	...	21	...	9	...
New or liberalized group insurance....	65	...	21	...	21	...	23	...
New or liberalized pensions.....	14	...	2	...	9	...	3	...
Other.....	20	...	4	...	7	...	9	...
Benefits only.....	108	29.8	30	22.4	55	44.0	23	22.3
New holidays.....	29	...	11	...	13	...	5	...
Liberalized vacations	20	...	4	...	7	...	9	...
New or liberalized group insurance....	78	...	26	...	39	...	13	...
New or liberalized pensions.....	55	...	10	...	37	...	8	...
Other.....	16	...	4	...	9	...	3	...
No wage increase or fringe benefit.....	17	4.7	7	5.2	4	3.2	6a	5.8

aOne company reported decrease.

their own patterns of wage settlements. Previous to the GM contract (May 29, 1950), Reuther's UAW-CIO for the most part had been signing contracts stressing fringe benefits, such as pensions. His post-GM negotiations show an added emphasis on wage boosts. Philip Murray's Steelworkers have been signing contracts calling for pensions, group insurance and other fringe items but not for wage increases.

Leading the field in getting wage boosts is District 50—John L. Lewis' satellite union. Of twenty-four District 50 settlements, Lewis' union secured wage boosts in nineteen. And in six of these, District 50 also secured fringe benefits. Other unions in the forefront in getting wage boosts are the independent UE, AFL Electrical Workers, Building Service, Chemical Workers and Office Employees Unions. (See Table 3.)

Contrary to the general AFL trend, the Teamsters union has been signing contracts calling for fringe benefits only—over half are in this category.

INDUSTRY PATTERNS

Nonmanufacturing industries lead in the granting of wage increases. Nineteen out of twenty-six public utility contracts and seven out of seven retail con-

**Table 2: Analysis, by Industry, of Amounts of General Wage Increases Specified in
237 Union Contracts—January-July, 1950**

Industry	Total	Wage Increases									Fringe Items		No Wage or Benefit Change	
		Total Wage In-creases	Hourly Increases (in Cents)						Month-ly	Weekly	Other	Fringe Items in Addition to Increase		Fringe Items Only
			2.5 and Under	2.6-4.9	5	5.1-7.9	8-10.9	11 and Over						
<i>total</i>	362	237	22	32	76	33	22	15	5	18	14	121	108	17
<i>Manufacturing Total</i>	298	191	16	28	69	26	19	14	3	11	5	96	93	14
Aircraft parts and accessories.....	3	2	..	1	1	..	..	..	..	..	..	1	1	..
Automotive.....	12	3	..	2	..	1	..	..	..	..	..	3	9	..
Building materials.....	5	4	..	..	..	..	..	4	..	..	..	1	1	..
Chemicals.....	46	34	1	6	16	7	..	7.50	2.50, 2.00	5%	15	8	4	..
Food.....	33	23	3	4	7	5	2	10.00	5.50	..	12	10	..	..
Lumber.....	1	1	..	..	..	1	..	..	..	..	..	..	..	..
Metal manufacturing.....	71	38	3	6	10	4	8	6	..	2.00	21	32	1	..
Metals.....	34	24	2	1	13	2	1	1	10.00	2.00, 2.00, 2.00	11	9	1	..
Paper.....	20	19	1	3	12	1	1	..	..	7.5%	10	..	1	..
Petroleum.....	14	8	1	1	2	3	1	..	..	..	5	5	1	..
Printing.....	1	1	..	..	..	..	..	..	..	2.50	..	..	..	..
Rubber.....	9	2	..	1	..	1	..	..	..	..	2	6	1	..
Stone, clay, glass.....	14	10	2	..	3	..	2	2	..	3.00	4	4	..	..
Textiles.....	19	8	3	..	2	1	1	..	..	10%	6	7	4a	..
Unclassified.....	16	14	..	3	3	..	3	1	..	2.00, 2.00, 95¢ day	5	1	1	..
<i>Nonmanufacturing Total</i>	64	46	6	4	7	7	3	1	2	7	9	25	15	3
Public Utilities.....	26	19	4	2	3	1	1	..	..	2.00 { 3.5%, 3.5%, 4%, 4%, 4.5%, 6%, 6.5%	12	7	..	..
Retail and wholesale trade.....	7	7	..	..	..	..	1	..	..	2.00, 2.00, 2.00, 1.50, 1.65, 5.00	2	..	..	..
Transportation.....	22	16	2	2	3	4	..	1	10.00	..	2%, 75¢ day	10	5	1
Unclassified.....	9	4	..	..	1	2	1	..	10.00	..	..	1	3	2

aOne company reported a wage decrease.

**Table 3: Analysis, by Unions, of Amounts of General Wage Increases Specified in
237 Union Contracts—January-July, 1950**

Union	Total	Wage Increases									Fringe Items		W. B. C.	
		Total Wage In-creases	Hourly Increases (in Cents)						Month-ly (in Dollars)	Weekly (in Dollars)	Other	Fringe Items in Addition to Increase		Fringe Items Only
			2.5 and Under	2.6-4.9	5	5.1-7.9	8-10.9	11 and Over						
Totals.....	362	237	22	32	76	53	22	15	5	18	14	121	108	
Total AFL.....	134	97	8	7	30	14	8	8	5	9	8	42	30	
Air Line Stewards and Stewardesses	2	2	..	..	..	..	..	..	10.00	..	..	..	..
Auto Workers (UAW-AFL).....	7	2	..	..	1	..	1	..	10.00	..	..	1	4
Bakery and Confectionery Workers	2	2	1	..	..	..	1	..	..	..	..	2	..
Blacksmiths and Drop Forgers.....	2	0	..	..	..	..	..	..	..	..	..	..	2
Brick and Clay Workers.....	3	3	..	..	..	..	2	1	..	..	..	..	..
Bricklayers, Masons and Plasterers	2	1	..	..	..	..	1	..	..	..	..	..	1
Building Service Employees.....	7	7	..	..	2	2	1	..	1.50, 1.65	..	..	1	..
Carpenters and Joiners.....	3	3	..	..	1	1	..	1	..	..	..	..	..
Cement, Lime and Gypsum Workers	2	1	1	..	..	..	..	..	..	..	..	1	1
Chemical Workers.....	20	16	1	2	6	3	..	1	10.00	..	5%, 3½%	7	4	
Electrical Workers (IBEW-AFL)...	10	10	1	2	4	1	..	..	..	..	6%, 4%	6	..
Federal Labor Unions.....	3	2	..	..	2	..	..	..	..	..	..	1	1
Firemen and Oilers.....	5	3	..	..	3	..	..	..	..	..	..	..	1
Garment Workers.....	1	1	..	..	..	..	1	..	..	..	..	1	..
Meat Cutters and Butcher Workmen	5	5	1	..	2	1	..	..	5.00	..	..	2	..
Office Employees.....	10	8	..	..	..	..	1	..	10.00, 7.50	2.00, 2.00, 3.00	6½%, 3½%, 2%	8	2
Paper Makers..... ^a	2	2	..	..	2	..	..	..	..	..	..	..	..
Pulp, Sulphite and Paper Mill.....	5	4	..	1	2	..	1	..	..	..	..	2	..
Street, Electric Railway.....	6	3	1	..	..	1	..	..	..	..	2%	1	2
Teamsters.....	17	6	..	1	1	2	..	1	..	..	75¢ per day	5	9
Textile Workers.....	4	2	2	..	..	..	..	..	..	..	..	2	1
Other AFL Unions.....	10	14	..	1	4	3	..	3	2.00, 5.50, 7.50	..	..	7	2
Total CIO.....	125	66	0	9	17	13	7	5	0	0	3	40	55	
Auto Workers (UAW-CIO).....	21	5	..	2	..	2	1	..	..	..	..	4	16
Brewery Workers.....	3	2	..	1	..	..	1	..	..	..	..	2	1
Clothing Workers.....	4	2	..	..	..	..	..	..	2.00	10%	..	1	2
Electrical (IUE-CIO).....	5	4	..	..	2	1	1	..	..	..	..	2	1
Gas, Coke and Chemical.....	10	6	..	1	2	2	..	..	2.50	..	..	4	4
Glass, Ceramic and Silica Sand....	2	1	1	..	..	..	..	..	..	..	..	..	1
Longshoremen.....	2	0	..	..	..	..	..	..	..	..	..	..	1
Newspaper Guild.....	1	1	..	..	..	..	..	..	2.50	..	..	..	..
Oil Workers.....	11	6	..	1	1	3	1	..	..	..	..	4	5
Packinghouse Workers.....	4	4	1	..	3	..	..	..	..	..	..	3	..
Paperworkers.....	4	4	..	1	2	..	..	..	..	..	7½%	2	..
Rubber Workers.....	6	1	..	..	..	1	..	..	..	..	..	1	5
Retail, Wholesale.....	7	6	..	1	1	1	..	1	2.00, 2.00	..	..	2	1
Steelworkers.....	17	6	..	..	1	..	2	3	..	..	..	3	11
Textile Workers.....	13	7	2	1	2	1	1	..	..	..	..	5	4
Transport Workers.....	9	8	1	1	3	1	..	1	2.00	..	..	6	1
Utility Workers.....	3	1	..	..	..	..	..	..	..	..	4½%	..	2
Woodworkers.....	3	2	1	..	..	1	..	..	..	..	..	1	..
Total Independent.....	103	74	8	16	29	6	7	2	0	3	3	39	23	
Associated Unions of America (AUA)	1	0	..	..	..	..	..	..	..	..	..	..	1
Electrical Workers (UE).....	20	17	..	5	7	2	2	1	..	..	..	9	3
Food, Tobacco and Agricultural...	3	3	..	1	1	1	..	..	..	..	..	1	..
Fur and Leather Workers.....	1	0	..	..	..	..	..	..	..	..	..	..	..
Machinists.....	18	13	2	3	5	1	1	1	..	..	..	9	5
Mechanics Educational Society....	2	0	..	..	..	..	..	..	..	..	..	..	2
Mine Workers.....	2	2	..	..	..	..	..	..	..	..	95¢ per day, 70¢ per day	2	..
Mine Workers (Construction)....	6	5	1	2	1	..	1	..	..	..	..	2	1
Mine Workers, Dist. 50.....	24	19	2	3	9	1	3	..	..	..	4%	6	4
Mine, Mill and Smelter Workers...	13	8	1	1	5	..	..	..	2.00	..	..	5	2
Office and Professional Workers...	4	3	..	..	1	..	..	..	2.00, 2.00	..	..	1	1
Progressive Steelworkers.....	2	0	..	..	..	..	..	..	..	..	..	..	2
Other Independent.....	7	4	2	1	..	1	..	..	..	..	..	4	2

^aCompany reported a wage decrease.

acts, for example, boost wages. In manufacturing, many certain industries take the wage-boost lead. In the paper industry, for instance, nineteen out of twenty contracts raised wages. A high percentage of wage boosts also occur in chemical, food, and building material industries. (See Table 2.) Some industries that did not grant wage increases did grant fringe benefits, such as pensions. This is particularly true of the automotive and rubber industries. It reflected the CIO Auto Workers' and Rubber Workers' pre-GM policy of stressing pensions and group insurance.

IMPACT OF GM FORMULA

Unlike the 1948 General Motors agreement with CIO Auto Workers,¹ the May 29, 1950, agreement has had widespread repercussions. A considerable number of companies and unions settled for one or both features of the GM agreement: (1) the annual improvement factor, and (2) an escalator clause. The table on the next page gives the details of the following three contracts that have the above two features: Ellis-Chalmers and UAW-CIO; American Viscose and Textile Workers, CIO; Sperry Gyroscope and James Carey's Electrical Workers, CIO.

¹See "Reaction to GM Wage Formula" *The Conference Board Management Record*, July, 1948, pp. 337-344.

In addition, both the annual improvement factor and the escalator clause features are contained in Dow Chemical Company's agreement with District 50, UMW (three years), Pacific Airmotive Company's contract with UAW-CIO (five years) and Parke-Davis Company's contract with the AFL Chemical Workers. The annual improvement feature appears in the AFL Chemical Workers agreements with Winthrop-Stearns (4 cents, three years), and Jefferson Lake Sulphur Company (4 cents, four years). It also appears in the contracts of UE and Square D (4 cents, two years), the AFL Teamsters and St. Louis dairy and ice cream companies (4 cents, four years), the AFL Motor Coach Employees and the Atlanta Transit Company (3 cents, three years) and the IUE-CIO and the Seeger Manufacturing Company (4 cents, two years).

A breakdown, by unions, of wage increases is shown in Tables 1 and 3; by industry in Table 2. An analysis of key union contracts, such as General Motors and American Viscose, is given on the next page.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

NATALIE E. FRIEDMAN

Statistical Division

Speeding up Information on OASI Benefits

How soon can we find out how much the employee about to be retired will receive in OASI benefits? If the ordinary channels are used, it may be several months after retirement before the exact amount of the employee's OASI benefit is known. The adjustment of the private pension to Social Security during his interim period, therefore, presents a rather serious problem to the company.

The Social Security Administration has recently formulated a special procedure to make this necessary information quickly available. This procedure, which has been compiled by the Social Security Administration, follows:

"1. On the first day of each month, the company will give to the field office servicing its headquarters a list, in duplicate, of employees who will retire during or at the end of that month. The list should contain names, Social Security account numbers, dates of birth and present addresses of the employees.

"2. On one copy of this list the field office will place near the name of each wage earner the address of the field office servicing that employee, and return this list to the company.

"3. The company will direct each employee to the servicing field office shown for him on the list, and

"4. Furnish him with a completed copy of 'Authoriza-

tion to Give Employer Copy of Award Certificate or Disallowance Letter.'

"5. The company will emphasize to the wage earner that he must take this form along with him to the field office where he goes to file his claim.

"6. The company will emphasize to its employees that they (and their wives and children, if they are of appropriate age, etc.) must visit a field office not later than fifteen days before retirement in order to file claims (and furnish proofs of age for auxiliary claimants, if any).

"7. When primary claimants arrive at a field office they will, in addition to furnishing whatever proofs are necessary, signing application blanks, etc., also sign the 'Authorization to Secure Copy of Award Certificate or Disallowance Letter.'

"8. No later than the 20th of the month, the company will furnish Forms OAC-1001 for each employee directly to the resident field office (i.e., the field office address appearing on the list furnished by the company and returned as in '2') showing wages paid during the two preceding quarters and the present quarter including the present month.

"9. If the OAC-1001's come in later, the sending of the award information to the company will necessarily be delayed. To prevent improper routing of these forms, the employee's address should be shown in the lower left-hand block of the OAC-1001."

Main Wage and Benefit Provisions of Some Principal Union Agreements, January-July, 1950

Company and Union	General Wage Increase	Pensions	Insurance	Holiday	Vacations	Union Security
Allis-Chalmers Mfg. Co. (United Auto Workers, CIO)— June 30, 1950 10,000 employees	\$.03 hr. "annual improvement factor"—semi-annual cost of living adjustments—\$.01 an hour for each 1.25 change in BLS price index	Company-paid \$100 per month with 25 years' annual service. Proportionately less for 15-25 years. Early retirement at age 60 with 15 years' service factor—\$60 per month	Minimum life insurance increased from \$2,000 to \$3,000. Premium reduced from \$.60 per \$1,000 per month to \$.45. Increased health and accident benefits	No change (6)	1 wk. for 1 yr.; 2 wks. for 5 yrs.; added 3 wks. for 15 yrs.	Modified union shop (formerly only irrevocable, automatic renewal check-off of dues, initiation fees, assessments)
American Can Co. (United Steelworkers, CIO)— March 13, 1950 15,000 employees	\$.05 hr.	Company-paid \$100 month minimum for 25 years of service	.....	No change (6)	No change (1 wk. for 1 yr.; 2 wks. for 15 yrs.; 3 wks. for 25 yrs.)	No change (irrevocable check-off of dues)
American Viscose Corp. (Textile Workers Union, CIO)— July 25, 1950 15,000 employees	\$.11 hr. Additional wage rise of \$.08 hour to be effective July 1, 1951	Contributory—minimum \$100 per month—25 years of service; company pays \$1.50 to every \$1 contributed by employee	Company will continue to pay entire cost of health and life insurance	Increase in pay for holidays worked (6)	No change (1 wk. for 1 yr.; 2 wks. for 5 yrs.)	No change (maintenance of membership)
Anaconda Copper Mining Co. (Mine, Mill, Smelter Workers, Ind.)—April 10, 1950 8,764 employees	\$.05 hr.	.....	Company increased contributions to hospital payment for employees from \$1 to \$1.75 and for employees' families from \$1 to \$1.50 per month	Qualifications for holiday pay liberalized (6)	No change (1 wk. for 1 yr.; 2 wks. for 5 yrs.)	No change (dues checkoff)
Bigelow-Sanford Carpet Co. (Textile Workers Union, CIO)— March 17, 1950 6,600 employees	None	Company-paid \$100 month with 30 years' service. Proportionately less if under 30 years' and over 20 years' service	.....	No change (6)	No change (1 wk. for less than 3 yrs.; 2 wks. for 5 yrs.)	No change (union shop)
Bituminous Coal Operators (United Mine Workers of America, Ind.)—March 5, 1950 370,000 employees	\$.70 day	\$.30 instead of \$.20 a ton to be paid by operators into miners' welfare and retirement fund	(See pensions)	As recognized by local agreements	No change (1 wk. —\$100)	Union shop to extent permitted by law (formerly union shop)
Campbell Soup Co. (Food, Tobacco, Agricultural and Allied Workers, Ind.)—March 22, 1950 10,000 employees	\$.04 hr.	.....	Company-paid hospitalization service, life insurance and accident and health insurance	No change (6)	3 wks. for 15 yrs.; 2 wks. for 1 yr.	No change (maintenance of membership)
Chrysler Corp. (United Auto Workers, CIO)— May 4, 1950 89,000 employees	None	Company-paid \$100 per month with 25 years' service. Proportionately less to employees with 10 to 25 years' service. Early retirement at age 60 with 25 years' service with reduced pension	Paid-up life insurance for pensioners. Contributory health and hospitalization insurance plans and life insurance and disability benefits	No change (6)	1 wk.'s pay for 1 yr.; 1½ wks. pay for 3-5 yrs.; 2 wks.' pay for 5 yrs.	No change (maintenance of membership)
Consolidated Edison Company of N. Y. (Utility Workers, CIO)—March 1, 1950 30,000 employees	None	Revised—company-paid annual pension 9% of average straight-time earnings times years of service. Maximum years counted, 30. Minimum \$125 a month with 30 years' service or \$100 with 25 years' service plus \$5 a month for each additional year up to 30 years	.....	(11)	No change (1 wk. for less than 1 yr.; 2 wks. for 1 yr.; 3 wks. for 15 yrs.)	No change (union shop)

Company and Union	General Wage Increase	Pensions	Insurance	Holiday	Vacations	Union Security
General Motors Corp. (United Auto Workers, CIO)— May 29, 1950 270,000 employees	\$.04 hr. annual improvement factor — quarterly cost of living adjustments —\$.01 an hour for each 1.14 change in BLS price index	Company-paid \$1.50 a month times years of service; minimum \$100 per month with 25 years' service. Early retirement at 60, \$3 per month times years of service—maximum \$90	Life insurance increased \$500—\$2,500 to \$5,000. \$98 to \$45.50 per week sickness and accident benefits for 26 weeks. \$5 per day hospitalization for 70 days. Contributory Blue Cross and Blue Shield insurance for employees and dependents	No change (6)	40 hrs.; pay in lieu of vacation —1 yr.; 60 hrs. —3 yrs.; 80 hrs. —5 yrs.; 120 hrs.—15 yrs.	Modified union shop (formerly, only irrevocable, automatic renewal checkoff)
Goodyear Tire & Rubber Co. (United Rubber Workers, CIO)— February 5, 1950 24,000 employees	None	Company-paid annual pension, 10% of aggregate earnings including overtime and bonuses up to age 68. Minimum \$100 per month age 65 with 25 years' service; proportionately less for 15 to 25 years' service	Noncontributory life insurance averaging about \$3,200 per employee. Half of this given by company after retirement. (Minimum of \$1,000)	No change (6)	No change (1 wk. for 1 yr.; 2 wks. for 5 yrs.; 3 wks. for 15 yrs.)	No change (voluntary irrevocable checkoff of dues)
Nash-Kelvinator Corp. (United Auto Workers, CIO)— March 5, 1950 24,000 employees	None	Company-paid \$100 per month with 25 years' service. Proportionately less for 15 to 25 years' service. Early retirement at age 60 with 25 years' service —\$32.50 a month (exclusive of Social Security)	Additional life, accident and sickness insurance benefits	No change (6)	No change (44 hrs.—1 yr.; 66 hrs.—3 yrs.; 88 hrs.—5 yrs.)	No change (irrevocable checkoff)
Pittsburgh Plate Glass Co. Libby-Owens-Ford Co. (Federation of Glass, Ceramic & Silica Sand Workers, CIO)— January 14, 1950 18,500 employees	None	Company-paid. Range from \$60-\$125 at age 65; formula is \$4 per month times years of service for first 25 years; \$1 a month times years of service over 25	Health and accident insurance program increased to \$26 per week for a maximum of 6 weeks. Under the existing hospitalization insurance program the company will contribute toward cost of premium a maximum of \$3 per month for a married employee and \$1.50 per month for a single employee	No change (7)	No change (1 wk. for 1 yr.; 2 wks. for 5 or more yrs.)	No change (union shop)
Sperry Gyroscope Co. (International Union of Electrical Radio, and Machine Workers, CIO)—July 27, 1950 5,500 employees	\$.05—Additional wage rise of \$.04 per hour in April 1951 and April, 1952. Automatic cost of living adjustments—\$.01 for each 1 point change in BLS price index	Contributory pension plan continued	Noncontributory sickness, hospital, surgical and life insurance	No change (9)	No change (1 day per month up to 10 days)	No change (formerly, union shop to extent permitted by law)
United States Rubber Co. (United Rubber Workers, CIO)— April 5, 1950 33,000 employees	None	Company-paid \$100 per month with 25 years of service—proportionately lower for those with 20 years' service. A \$60 minimum disability pension for employees with 20 years' service regardless of age	\$2,000 life insurance for all employees and an additional \$1,000 may be purchased by the employee at a cost of \$.60 per month	No change (6)	No change (1 wk. for 1 yr.; 2 wks. for 5 yrs.; 3 wks. for 15 yrs.)	No change (irrevocable, automatic renewal checkoff of dues)

Escalator Clauses in a Wage Freeze

INCLUDED among the wage settlements of the past eight months are several that provide for cost of living escalator clauses and/or automatic annual wage improvements. Most prominent among these are the CIO United Automobile Workers agreements with General Motors and Allis-Chalmers. Should fuller mobilization bring on a wage freeze, how would that affect the wage prospect of employees covered by such provisions? On the basis of World War II experience, their wages would be just as frozen as those of employees not covered by such cost-of-living formulas.¹

The wage freeze of World War II went into effect on October 3, 1942, with the issuing of the Economic Stabilization Order (Executive Order 9250). Application of the wage freeze to escalator clauses was covered in the National War Labor Board's General Order No. 22. It states:

"No clause contained in any labor agreement, commonly known as an escalator clause, relating to wages or salaries subject to the jurisdiction of the National War Labor Board, regardless of when the agreement was made, which provides for an adjustment in wage rates after October 3, 1942, or an adjustment in salary rates after October 27, 1942, because of changes in the cost of living, shall be enforced, where such adjustment would result in rates in excess of 15% above the average straight time hourly rates or equivalent salary rates prevailing on January 1, 1941. [Little Steel formula.]

"Adjustments within the 15% limit must be submitted for approval by the board in the usual manner."

THE RULE: NO INCREASES

One of the first applications of this principle came in a National War Labor Board directive issued on December 1, 1942, in a case between the Pyrites Company, Inc., and the International Union of Mine, Mill and Smelter Workers, ind. (then CIO). Their contract, adopted in August, 1942, called for wage rates to rise or fall 2 cents with each three-point change in the BLS consumers' price index. The WLB turned down a request for the increase on the ground that the employees had already received increases of 19% over their January 1, 1941, hourly earnings. In so holding, however, the WLB stated: "The determination in the present case cannot be interpreted, therefore, as entirely precluding the operation of escalator clauses; it does, however, hold that under the present policy of the WLB such clauses will be given effect to the extent that they provide straight-time rates not

¹For an over-all view of the wage freeze, see "Wartime Wage Control in the United States," *The Conference Board Business Record*, February, 1950, pp. 74-78.

more than 15% above the January 1, 1941, rates."²

The board repeated this reasoning in disapproving a 2.5 cent cost of living increase for employees of the American Home Products Company.² Their agreement had been signed in May, 1942, and the increase under the escalator clause was due on November 1. The parties in this case contended that if the escalator clause had not been included they would have agreed to higher rates in the original contract. Even so, the WLB ruled that since the increases for the company employees already exceeded 15%, no further increase could be authorized.

Similarly, in a case involving the UAW-CIO and the White Motor Company, the board turned down a wage increase of 3 cents that became due on November 16, 1942, under the parties' escalator clause contract.³ The employees covered by the contract had already received general increases of 18.9% since January 1, 1941.

THE EXCEPTIONS

However, while this was the generally applied rule, there were certain circumstances under which escalator clause increases above the Little Steel formula were allowed. If the cost of living adjustment required by the contract became due prior to the October 3, 1942, wage-freeze date, the adjustment was approved by the board even though the increase may have exceeded the 15% limit. In one such case,⁴ the contract provided that: "If on September 15, 1942, but not before, it will appear that the cost of living has substantially changed since January 10, 1942, rates will be changed to the same extent." Although the employees in this company had already received increases exceeding 15%, the board in December granted a 5% increase because it was due under the contract prior to October 3. In another case,⁵ the contract provided for a wage reopening as of April 1, 1942, and called for a wage adjustment if the BLS index increased 5%. After protracted negotiations, the parties, on September 25, reached agreement on a wage increase. But they signed

²Pyrites Company, Inc.—International Union of Mine, Mill and Smelter Workers; Case Number BWA-370, December 1, 1942; 11 LRRM 1707.

³American Home Products Co. (Jersey City, N. J.) and Gas, Coke and Chemical Workers, CIO; Case No. 2-164, March 11, 1943; 12 LRRM 1552.

⁴White Motor Company and United Automobile Workers, Local 32, CIO; Case Number 5-1297, March 10, 1943; 12 LRRM 1563.

⁵C. D. Osborne Glove Company—Amalgamated Clothing Workers of America, Local 73, CIO; Case Number 111-1049-D, December 28, 1943; 13 LRRM 1763.

⁶Uptown Metal Shop and International Association of Machinists, Local 63 and Portland Metal Trades Council; Case Number 3651-WA-210, March 19, 1943; 12 LRRM 1566.

the agreement after October 3. The board in this case allowed the increase, even though it was dated after October 3. The WLB reasoned that agreement on the increase actually had been reached on September 25, and the increase fulfilled a contractual obligation dating back to April 1, 1942.

Escalator clause increases were also allowed by the board when the increase would correct an existing inequity.

In one case in point,¹ the WLB allowed an escalator clause increase to one plant of a company because it had previously granted an increase in another plant of the same company. A clause in the parties' contract provided for uniformity in wage rates between the two plants of the company. The board held that inasmuch as it had granted an increase to the other plant the present increase would maintain the identity

¹Babcock and Wilcox Co. [Bayonne, N. J.] and United Electrical, Radio and Machine Workers of America, Local 439, CIO; Case No. 353 (3403-A), June 18, 1943; 12 LRRM 1836.

of increases and correct an inequity brought about through the board's previous order.

PROSPECTS IN NEW WAGE FREEZE

Actually, the Little Steel formula of permissive wage increases was nothing more than a cost of living adjustment that had been applied to the earnings of steelworkers. Today, some labor observers see in the GM formula the criterion that may be applied should a "hold-the-line" executive order be issued. They say that, inasmuch as a powerful union in a key wartime industry is involved, the escalator clause may be allowed to operate throughout a wage freeze. The fact that some post-Korea agreements include almost exact replicas of the GM formula may be evidence that labor leaders may be counting on this, too.

HAROLD STIEGLITZ

Division of Personnel Administration

Trends in Employee Benefit Plans

The Theory of Financing Pensions

The following note was prepared by an actuary of an insurance company in answer to an article in *The Management Record* for June, 1950, "Financiers vs. Actuaries." He writes: "It was suggested in this article that there is a conflict between sound corporate financial policy and actuarial theory in the funding of pension plans. In my opinion, the underlying issue is the ethics of an actual or implied promise of future benefits not supported by a sound policy of funding from current income.

"Widely held and well-founded opinions favoring a pay-as-you-go policy under the federal Social Security system have raised questions as to traditional practices in funding private pension plans. These two types of programs should be carefully distinguished. The federal plan is a social measure by which a portion of current production is withheld from the producers and distributed through a complex mechanism to non-producers who qualify for benefits under the rules of the plan. Inherent in the Social Security system are the features of compulsion, the taxing power of the government, and the assumption of perpetual existence of the program in some form. This system may be changed at any time by the will of the electorate, although it would be naive to believe that benefits, once established, could ever be decreased except through reduction in purchasing power of the dollar.

"In sharp contrast to the governmental plan for old-age benefits, the private pension plan has no power

of taxation or of changing the amount or value of benefits already contractually established. Even more important, it cannot assume perpetual existence or that its active membership may not seriously decline in the future. In the past, many corporations have dwindled in size and finally been liquidated. Whole industries have ceased to exist. With the amazing scientific advances of the last decade, we must not overlook the possibility of even greater changes of this type in the future.

"In the article it was asserted that the 'past-service liability may be considered a liability in perpetuity and it may never be paid.' A pension fund operated on this theory may appear to function well so long as the number of active employees is maintained, but if employment decreases sharply or if the employing corporation goes out of business, the final generation of employees and pensioners may find themselves the beneficiaries of a bankrupt pension plan. The unfunded private pension plan can be likened to a debenture issue without a sinking fund or other provision for its retirement. The existence of unfunded pension plans in the railroad industry led to a piece of class legislation—the Railroad Retirement Act.

"In the current discussion over benefit formulas and methods of financing or funding pensions, there is danger of losing sight of the end results about which we should be chiefly concerned. The growth in the number of people in the older age groups in relation to the total population presents sociological and eco-

conomic problems which must be carefully considered before a really fundamental solution of the pension question can be achieved. It is hoped that a fixed pattern can be avoided while research, study, and experiment are left free to work out the best programs for our citizens."

Liquidating the MBA

A number of the old-time mutual benefit associations have been liquidated lately. In some, the association has been dissolved because of union demands for an insured program, with the company paying a part or all of the costs. In others, the company has voluntarily assumed the entire cost of providing insurance. In still other companies, the mutual benefit association's only function is to administer the group insurance program.

The Servel Employees' Health Society was dissolved in July, 1950, when Servel, Inc., announced that it would assume the cost of hospital, surgical, X-ray and polio insurance benefits for all employees. Claims made by members of the society will be honored for the next ninety days, except in the case of maternity benefits. The assets will be distributed among members in good standing in the ratio of one share for each month the individual has been a member of the society.

Revised UMW Hospital and Medical Services

Effective July 1, the UMW Welfare and Retirement Fund is again providing hospital and medical services for the bituminous miners, their wives and dependent children under eighteen years of age. These services will be provided by private physicians and existing hospitals in accordance with arrangements made by the fund through its area medical administrators. Hospitalized members and their dependents will receive ward or semiprivate accommodations. Widows of deceased miners and their children will not be eligible for these benefits.

2,000-Hour Guarantee

Another guaranteed wage has been added to the few plans of this nature now in existence. A bottle top manufacturer has recently negotiated an agreement with the International Brotherhood of Pulp, Sulphite and Paper Mill Workers (AFL) which guarantees 2,000 hours of work to the sixty employees with the highest seniority. Included in the guarantee are hours paid for and not worked, such as paid holidays and vacations. The company, however, is relieved from this guarantee in the event of fire, strike or act of God.

If the company's business should suffer an unusu-

ally slack period, the guarantee may be reopened for further negotiations.

Atlas Offers Stock to Employees

The Atlas Powder Company has offered 6,000 shares of its no par value stock to employees, including directors who are employees. Employees may purchase one share of stock for each full \$500 of annual compensation, with a maximum of twelve shares, but may buy less than the total number for which they are eligible.

The plan was approved by the directors on April 5, 1950, and no subscriptions were accepted after May 10, when the subscriptions were closed. The stock was sold to employees at \$50 a share. During April, the price of the stock quoted on the stock market ranged from a low of 51 $\frac{1}{4}$ to a high of 55 $\frac{1}{2}$.

The stock may be purchased through pay-roll deductions at the rate of \$5 a month for each share subscribed. The employee may, if he wishes, pay all or part of the subscription at one time. The purchaser is not entitled to dividends before the stock is issued, nor does he receive interest on subscription payments.

Employees may cancel their subscriptions at any time prior to completion and receive cash or as much stock as the payments already made will buy. Once the subscription is completed, the company points out, it cannot assume any responsibility for any changes in market prices.

In the announcement to employees, it is emphasized that, "Employees are under no obligation to subscribe for stock under this offer. The action of any employee in subscribing or not subscribing will have no effect on his standing in the company."

Benefit Costs Reach New High

Employee benefits cost the company 38.41 cents per hour in 1949, according to the annual statement of the Rochester Gas and Electric Corporation. This represented 23.3% of the pay roll. Benefit payments were 6.69 cents per hour higher in 1949 than in 1948. Of the 38.41 cents, 6.59 cents represents company contributions required under Social Security, unemployment compensation, workmen's compensation, etc. The remaining 31.72 cents has been expended voluntarily by the company for pensions, hospitalization, surgical care, sickness and accident benefits, group insurance, vacations and the like.

For the first two months of 1950, company contributions to employee benefits have taken another jump, increasing to 45.1 cents per hour, or 26.4% of the pay roll.

F. BEATRICE BROWER

Division of Personnel Administration

THE CONFERENCE BOARD

Trends in Labor Relations

Handling Employee Security Risks

With orders for military goods coming in, the subject of employee security risks is demanding more attention. Industry officials are looking at their union contracts to see whether they hamper the carrying out of governmental security requests, especially requests to remove specified workers from classified work. A recently signed UAW-CIO agreement with an aircraft company handles this problem through the following clause:

"Government Security Clause—The union recognizes that the company has certain obligations in its contracts with the government pertaining to security, and agrees that nothing contained in this contract is intended to place the company in violation of its security agreements with the government. Therefore, in the event that the United States Air Force or any other government agency concerned with the [company] security regulations advises the company that any member of Local — is restricted from work on or access to classified information or material, the union will not contest any action the company may reasonably take to comply with its security obligations to the government."

Late Penalty in Contract

Specific penalties for lateness seldom find their way into union contracts. As a result, disciplinary actions for lateness often end up in the grievance and arbitration procedure.

A Machinist contract with an east coast manufacturer short-cuts this problem by spelling out these penalties for lateness:

It is agreed that in computing penalties for reporting late, deductions shall be made by the company based upon the regular hourly rate of the employee to the nearest 10/100 of an hour. Deductions for lateness amounting to more than 50/100 of an hour and deductions from employees who have been late more than once in the current week shall be made at overtime rates.

What's in a Name?

The battle between the CIO-expelled United Electrical Workers and the newly chartered CIO International Union of Electrical Workers has brought into the spotlight contract clauses concerning the name of the union.

In several cases, both unions have been to court in disputes over whether a change in the name of the union changes the contractual obligations. To fore-

stall possible court tests, the UE in a contract with one firm secured this clause:

"That wherever in the said contract of . . . , 1949, the letters 'CIO' appear, said letters shall be excluded and the term 'UE' shall be used solely for the purpose of designating the United Electrical, Radio and Machine Workers of America and its affiliate Local. . . ."

And union officials of another UE local had this clause inserted in their recent contract with a manufacturer:

"The union reserves the right to change its name or any part of its name. It is further agreed that any such change shall not impair or alter any agreement that is in effect at that time. The company shall be notified in writing at the time of, or before any such change."

Checkoff Provides Sixty-day Overlap

James B. Carey's newly chartered International Union of Electrical Workers, CIO, has come up with a unique type of checkoff clause. The clause, which provides for a sixty-day overlapping period during which dues can be checked off even though there is no contract in effect, reads as follows:

Section 3. In lieu of a union shop, the company agrees (not, however, as a condition of employment) to check off union dues according to the procedure hereinafter outlined. The company will make no checkoff for any new employee until after the end of his or her probationary period. Checkoff will be made for all those eligible whose signed wage deduction authorizations are delivered to the industrial relations department. Before the end of each month, the financial officer of the union will submit to the company a list of those for whom deductions are to be made and after comparison of the list with signed cards on file, the company will deduct the amounts specified and remit the total to the union.

The wage deduction authorization card for membership dues is to be worded as follows:

WAGE DEDUCTION AUTHORIZATION

I hereby authorize my employer, the Company, to deduct from my wages the membership dues in local , affiliated with the International Union of Electrical, Radio and Machine Workers, CIO, and to pay the amount so deducted to the treasurer of said local. This deduction is to be made each month from November 1, 1949, until and if this authorization is canceled. It is understood that this authorization is irrevocable unless canceled during a ten-day withdrawal period following the expiration of the present and subsequent contracts between local and the Company. It is understood further that revocation shall be effective dur-

ing the withdrawal period only after I have notified, in writing, by registered mail, the president of local and the industrial relations department of the Company.

Date..... Signature.....

The ten-day withdrawal period, set forth in the authorization above, immediately follows the expiration date of the contract. Subject to this withdrawal provision, the company agrees to continue checkoff for a period of sixty days or until any new contract is signed, whichever period

is shorter. In brief, the agreed upon wage deduction authorization provides for checkoff continuation from this to any subsequent contracts signed, subject to the withdrawal period or periods and subject to the sixty-day limitation. Provided that any subsequent contracts are signed, and irrespective of their duration if longer than one year, there will be a withdrawal period from November 1 through November 10 each year.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Labor Press Highlights:

Korea—Labor's Point of View

ORGANIZED labor insists on genuine participation in the planning and administration of the defense policy. It will not be content with representation on window-dressing advisory committees that merely ratify decisions made by government authorities." That message, says the *United Mine Workers Journal*, was conveyed to Stuart Symington, director of the National Security Resources Board, by all segments of organized labor. As a result, says the *Journal*, a nine-member union committee¹ will confer with Symington on mobilization of manpower and expanded production for war.

ON A NATIONAL SCALE

While the CIO, AFL, and principal independent unions immediately sent messages to Mr. Truman endorsing his stand on Korea, some left-wing unions were hesitant. The Distributive Workers Union, in an editorial in *Union Voice*, says: "The most vicious labor haters of America, the most violent bigots . . . are the ones who are now most energetically whooping up a war spirit. . . . Let us remain cool and calm in the face of a difficult and dangerous situation." Harry Bridges' paper, *The Dispatcher*, says: "Re Korea: Keep your shirts on. . . . We don't intend to be stampeded into becoming colonial policemen." *The Dispatcher* also says: "We'd be crazy if we let something like Korea create division and disunity in our ranks."

While that is the official stand of Harry Bridges, *The CIO News* reports that the ILWU's 6,000-mem-

¹The committee, as listed in the *Tennessee Labor News*, consists of AFL President William Green, AFL Secretary-Treasurer George Meany, and AFL Vice-President George M. Harrison, who is also President of the Brotherhood of Railway Clerks. CIO representatives include Walter Reuther, president of the United Automobile Workers, Emil Rieve, president of the Textile Workers, and Jacob S. Potofsky, president of the Amalgamated Clothing Workers. Independent union representatives include United Mine Workers President John L. Lewis and International Association of Machinists President A. J. Hayes. George E. Leighty, president of the Railway Labor Executives Association, represents railroad unions.

ber Local 10 refuses to go along with him. Last month, the local passed a resolution pledging, "without any doubletalk that we will support our government and our President and the United Nations 100% in this great crisis, and that we will load any and all cargoes destined for the war areas." According to *The CIO News*, Bridges used delaying tactics and substitute resolutions during two meetings to stall approval of this resolution. At the third meeting, the local approved it over Bridges' protest.

Among the seagoing unions, Seafarers' International Union, AFL, operating on the west coast, has incorporated a provision in its contract providing for a bonus to shipworkers sailing in Korean waters, reports *The Seafarers' Log*. The National Maritime Union, CIO, operating on the east coast, is asking for a Korean zone bonus also, according to *The Pilot* (NMU-CIO).

The United States Merchant Marine is the weakest link in the country's national defense, according to President John Green of CIO's Marine and Shipbuilding Workers Union. *The Cincinnati Sun* (CIO, Ohio) reports Mr. Green has appealed to Congress for priority action on bills to spend \$350 million for ship construction.

Regarding the automobile industry, *The CIO News* reports that Walter Reuther has proposed a joint labor-management conference to study: (1) The impact of the President's order on the automobile industry's production and employment; (2) practical steps to minimize dislocation and unemployment; (3) joint recommendations to expand steel production; and (4) full mobilization of the productive potential of the auto industry.

ON AN INTERNATIONAL SCALE

Mr. Reuther has also proposed the United States finance a \$1.3 trillion plan for world peace, re-

THE CONFERENCE BOARD

ports *The CIO News*. The Reuther proposal sent to President Truman calls for expenditures of \$13 billion per year for the next 100 years, through the UN, to help develop and expand the resources of underdeveloped countries. According to the *News*, Mr. Reuther pointed out that the total expenditure equals the cost of World War II for forty-four months. He says the program would be a direct attempt to destroy the sources of Communist power.

More immediate, however, is the action taken by the International Confederation of Free Trade Unions. The *AFL Weekly News Service* reports that a five-nation ICFTU delegation will visit Asiatic nations in an attempt to strengthen democratic unions. The ICFTU trip follows the return of AFL Secretary-Treasurer George Meany from a six-week tour of Western Europe. Mr. Meany, according to the *St. Louis Labor Tribune* (AFL, St. Louis) observed that Russia was losing the cold war in Europe and that there is a growing solidarity among free democratic workers and unions in Europe.

AND ON THE 'PEACE' APPEAL

The Communist-sponsored "world peace appeal" also drew comment from segments of the labor press. *The CIO News* says that the petition solicitors among labor unions are drawn from the ranks of such left-wing unions as the UE and the United Public Workers, both of which were expelled from the CIO, as well as the Distributive Workers Union. The reaction of *The CIO News* to the Communist petition was an editorial "Nuts." *The Machinists'* point of view was similar (see cartoon).

Machinists Give Jurisdictional Breakdown

According to figures in the *Machinists Monthly Journal*, 60% of the International Association of Machinists' 550,000 members "are employed in the manufacturing and contract fields, including government establishments." The railroad industry accounts for only 14% of IAM members, aircraft 12%, automotive 11.5%, and air transport 2.5%. The IAM says that increasing percentages can be looked for

in the air transport and automotive fields, because organizing activities in these fields will keep pace with industrial expansion.

Textile Workers Map Woolen Demands

The Textile Workers Union of America, CIO, will move for wage increases and a pension plan in its next contract with the woolen and worsted industry, reports *Textile Labor* (TWUA, CIO). Demands will be drawn up in November for presentation at the February contract expirations. The textile workers see an upward trend in both prices and sales of woolsens and worsteds as an aid to their demands.

UAW-CIO Asks 20-cent Package for Aircraft Industry

Economic demands totaling 20 cents per hour will be sought by the UAW-CIO for 50,000 aircraft workers, reports *The United Automobile Worker*. The package, as outlined by the UAW, calls for: a 10-cent general wage increase; a 5-cents per hour noncontributory medical and hospital insurance program; three weeks' vacation after one year or two weeks' vacation plus one week sick leave; a minimum of one week's severance pay at time of layoff; and substitution of automatic progression for merit increases.

CWA May Organize Telegraph Workers

The CIO Communications Workers of America is checking the possibility of an intensive drive in the telegraph field, according to the *CWA Weekly Newsletter*. The drive may be undertaken at the request of the national CIO. Its purpose, says the report, would be "to return telegraph and other workers held captive in the pro-Communist American Communications Association to their proper place in the CIO."

HAROLD STIEGLITZ

Division of Personnel Administration



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Briefs on Personnel Practices

Where Father Works

On a Sunday afternoon, father begins telling the rest of the family what it's like working at Lederle (Lederle Laboratories, Division of American Cyanamid Company). He explains what the plant looks like inside, what some of the people are like, and describes some of the jobs.

His remarks are the basis for a booklet, "This, Our Life," a collection of photographs with a minimum of text. Through the views of scenes and individuals, the family is conducted on a tour that makes them better acquainted with father's day after he leaves home in the morning.

By and For Women

Bringing to salaried women employees a better understanding of their jobs and their company is the objective of a new training program recently conducted by the Delco Products Division of General Motors, Dayton, Ohio. Known as the Salaried Women's Conference, a series of thirteen two-day meetings was conducted and attended by nearly 250 employees, all members of the distaff side.

Twenty-four conference leaders, selected from the ranks of salaried women, were each responsible for one topic. Leaders were assisted in preparing their materials by a planning committee of supervisors and office people.

The first of each two-day conference was devoted to the technical side of the business while the second day was given over to a consideration of employee benefit plans, human relations, and the personal problems faced by working girls. One leader laid down an effective challenge to the group, beginning her remarks as follows:

"In every competitor plant there is an employee—a bookkeeper, a typist, or a clerk—who is doing the same job you are doing. That person is your personal competitor. If she does a better job than you do, then her company has a definite sales advantage over Delco Products. If you do the better job, then Delco has the sales advantage. As you do your own job, think of that personal competitor!"

Test Bulletin Available

"The usual purpose of testing is to understand someone better—whether it be a child in school, a patient in a clinic, a youth planning his career, an

applicant for a job, an employee being considered for promotion, a soldier being classified for special training, or an older person seeking help in adjusting to retirement. Usually, we wish to make predictions of future behavior. Two things are essential if testing is to contribute to understanding the individual: the test chosen must be *appropriate for the person and the purpose of the testing*, and we must know something about *how others have performed on the test*."

These are the opening sentences of *Test Service Bulletin No. 39* published May, 1950, by the Psychological Corporation, 522 Fifth Avenue, New York 18, New York. The *Bulletin* is published several times a year to promote greater understanding of the principles and techniques of mental measurement and its application in guidance and personnel work. It is distributed without charge to companies and universities on request.

Employee-of-the-Month Awards

Employee-of-the-Month awards are being made at the Hickok Manufacturing Company, Rochester, New York. Employees submit nominations which are acted upon by committees representing management and employees. Photographs of those who receive the awards, with brief personality sketches, appear in *The Bar-H*, the employee publication.

Day Camps for Children

The employee service department of the Ford Motor Company has issued a booklet filled with suggestions for operating a day camp for employees' children. Such camps are now being operated at five Ford locations. Sons and daughters of Ford employees accompany them to work on a summer morning and go home with them in the evening. In between, the youngsters have a full schedule of touring the plant, seeing movies, playing games and swimming. Suggestions for a typical day are:

Early morning—Registration; medical examination (temperature, pulse, throat and skin condition); orientation (welcome, description of plan for the day, distribution of crew hats or T shirts)

Mid-morning—Plant tour

Noon—Lunch

Early afternoon—Movies

Mid-afternoon—Athletics

Late afternoon—Swimming

Then HOME for a tired child.

Characteristics of Price Movements

September, 1939—June, 1950

IT IS too early to show the effect of the Korean conflict on consumers' prices, since the last survey applies to June 15, 1950. It is possible, however, to review briefly the course of THE CONFERENCE BOARD'S consumers' price index from the start of World War II in September, 1939, to the eve of the Korean war.

From September, 1939, to November, 1941, prior to the entry of the United States into the last war, consumers' prices increased 10.2%. The major portion of this increase occurred in the latter part of 1941. During most of that period, the United States was rearming itself and at the same time contributing heavily to the arms programs of its future allies.

Prices continued to advance until the middle of 1943 when the effects of price stabilization began to be felt. From the time the United States entered the war until OPA lapsed on June 30, 1946, prices rose almost 17%. During the period of stabilization (September, 1942, through June, 1946), prices advanced 9.8%, with almost half of this increase occurring during the first year. Tight price controls lapsed in June, 1946, only to be restored a month later on a limited and greatly modified basis by the Price Control Extension Act of 1946.

In the period of limited price controls (June, 1946, to June, 1947), a 16.3% rise started the postwar boom on its way. The peak was reached in August-September, 1948, with the price level some 65% above

PRELIMINARY FOR JULY

Consumers' prices rose 1.3% from June to July, according to information just released by the National Industrial Conference Board. Surveying the price situation in ten major United States cities three weeks after the beginning of the Korean war, as compared with prices on June 15, the Board notes that food prices have led the advance with a 2.8% increase. Rising prices for meats, milk, sugar, bread and coffee were mainly responsible for the increase.

the start of World War II, or 49.7% above that prevailing when we entered the war, and 28.2% over that which existed when rigid OPA controls were abolished.

Prices then began to recede, and by February, 1950, had decreased 4.4% from the peak. Since then, however, prices have been on the upgrade, and now stand only 2.6% below the all-time high of 1948. The accompanying chart portrays these changes graphically.

ADVANCE CONTINUED

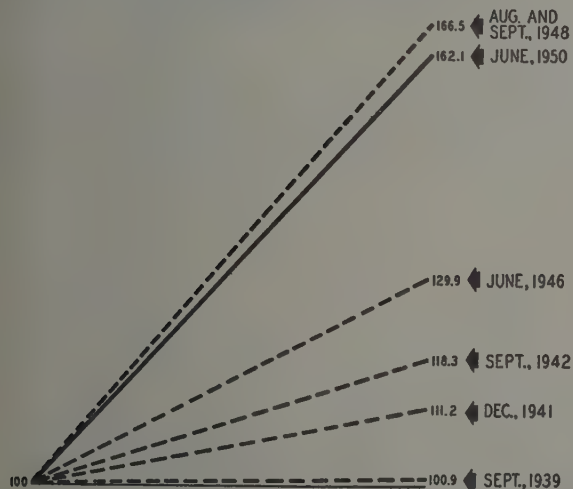
An increase of 0.7% occurred in consumers' prices in June, 1950, according to data collected and compiled by THE CONFERENCE BOARD. The index reached 162.1 (January, 1939=100)—0.2% higher than in June, 1949. This is the first time this year that consumers' prices have shown an increase over the corresponding 1949 month.

Retail food prices showed the greatest change over the month, rising 1.6% since May. This is the second consecutive increase in food. The previous month-to-month change amounted to 1.7%. All meats continued to play an important part in raising the food index. Appreciable price increases for dairy products contributed to this upward thrust. Carrots, onions, potatoes, apples and oranges all shared in the rise. The only items to partially offset these increases were sweet potatoes, green beans, spinach, and lettuce. Food prices are still 0.6% below the 1949 level, even though the over-all index is higher.

The increase of 0.4% in the combined clothing index was caused by an increase of 0.9% in men's wear, offset by a 0.2% drop in women's clothing. This is the first increase in the clothing index since September, 1949. Men's footwear and union suits were responsible for the increase, while prices of women's rayon dresses tended downward.

(Text continued on page 312)

Consumers' Price Index
Index Numbers, January, 1939 = 100



Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1950	Mar. 1950	June 1949	Mar. 1950 to June 1950	June 1949 to June 1950		June 1950	Mar. 1950	June 1949	Mar. 1950 to June 1950	June 1949 to June 1950
Atlanta						Louisville					
Food.....	205.8	198.2	209.0 _r	+3.8	-1.5	Food.....	214.8	204.8	214.8	+4.9	0
Housing.....	113.5	113.5	110.5	0	+2.7	Housing.....	107.1	107.1	107.1	0	0
Clothing.....	131.8	130.4	134.5	+1.1	-2.0	Clothing.....	137.8	137.7	145.4	+0.1	-5.2
Fuel ¹	129.4	141.5	129.8	-8.6	-0.3	Fuel ¹	151.8	163.7	150.7	-7.3	+0.7
Housefurnishings.....	147.8	149.3	149.5	-1.0	-1.1	Housefurnishings.....	154.2	154.1	154.8	+0.1	-0.4
Sundries.....	149.5	143.0 _r	142.5 _r	+4.5	+4.9	Sundries.....	162.2	161.1	162.6	+0.7	-0.2
Weighted Total.....	157.1	153.3 _r	155.6 _r	+2.5	+1.0	Weighted Total....	167.2	164.4	168.0	+1.7	-0.5
Buffalo						Milwaukee					
Food.....	226.7	218.0 _r	222.3 _r	+4.0	+2.0	Food.....	216.6	204.5	216.0	+5.9	+0.3
Housing.....	121.5	121.5	121.1	0	+0.3	Housing.....	147.6	146.1	112.5	+1.0	+31.2
Clothing.....	141.1	141.9	144.1	-0.6	-2.1	Clothing.....	158.2	154.3	157.1	+2.5	+0.7
Fuel ¹	148.5	147.0	139.3 _r	+1.0	+6.6	Fuel ¹	132.0	135.4 _r	133.4 _r	-2.5	-1.0
Housefurnishings.....	146.2	145.6	151.3	+0.4	-3.4	Housefurnishings.....	160.6	160.1	157.8	+0.3	+1.8
Sundries.....	156.4	154.4	152.4	+1.3	+2.6	Sundries.....	165.1	162.2 _r	164.2 _r	+1.8	+0.5
Weighted Total.....	169.2	165.8 _r	166.5 _r	+2.1	+1.6	Weighted Total....	173.3	168.5 _r	165.6 _r	+2.8	+4.6
Cleveland						Portland, Ore.					
Food.....	212.3	201.7	212.0	+5.3	+0.1	Food.....	218.6	212.8	216.4	+2.7	+1.0
Housing.....	117.1	117.1	116.7	0	+0.3	Housing.....	122.8	122.8	122.8	0	0
Clothing.....	150.1	150.6 _r	154.9 _r	-0.3	-3.1	Clothing.....	165.9	166.2 _r	167.4	-0.2	-0.9
Fuel ¹	138.6	141.9	134.6	-2.3	+3.0	Fuel ¹	140.7	140.7	136.9 _r	0	+2.8
Housefurnishings.....	156.8	156.3	158.6	+0.3	-1.1	Housefurnishings.....	134.1	134.1	136.9 _r	0	-2.0
Sundries.....	152.6	151.5 _r	153.1	+0.7	-0.3	Sundries.....	143.1	142.4 _r	141.9 _r	+0.5	+0.8
Weighted Total.....	163.3	160.0 _r	163.5	+2.1	-0.1	Weighted Total....	164.7	162.7 _r	163.7 _r	+1.2	+0.6
Des Moines						Providence					
Food.....	207.2	201.3 _r	209.9	+2.9	-1.3	Food.....	208.9	202.9 _r	213.2 _r	+3.0	-2.0
Housing.....	109.9	109.9	107.7	0	+2.0	Housing.....	106.2	106.2	106.2	0	0
Clothing.....	152.3	152.0	156.4 _r	+0.2	-2.6	Clothing.....	151.5	152.3 _r	152.7	-0.5	-0.8
Fuel ¹	150.8	153.4	146.3	-1.7	+3.1	Fuel ¹	141.2	140.5	137.2	+0.5	+2.9
Housefurnishings.....	151.3	150.1	151.1 _r	+0.8	+0.1	Housefurnishings.....	131.3	131.4	135.6	-0.1	-3.2
Sundries.....	151.3	149.2	150.2	+1.4	+0.7	Sundries.....	154.8	154.3 _r	152.8 _r	+0.3	+1.3
Weighted Total.....	159.5	157.3 _r	159.5	+1.4	0	Weighted Total....	160.6	158.5 _r	161.4 _r	+1.3	-0.5
Huntington, W. Va.						Spokane					
Food.....	190.7	187.4	199.9	+1.8	-4.6	Food.....	204.1	200.6 _r	207.7	+1.7	-1.7
Housing.....	116.2	116.2	111.7	0	+4.0	Housing.....	128.8	128.8	110.8	0	+16.2
Clothing.....	137.8	138.3	143.1	-0.4	-3.7	Clothing.....	127.4	127.3	132.3	+0.1	-3.7
Fuel ¹	113.8	113.8 _r	100.0	0	+13.8	Fuel ¹	147.3	149.5	148.2	-1.5	-0.6
Housefurnishings.....	140.4	139.6	150.1 _r	+0.6	-6.5	Housefurnishings.....	138.6	137.7	142.2	+0.7	-2.5
Sundries.....	163.1	161.6 _r	154.4	+0.9	+5.6	Sundries.....	148.8	147.8	147.2	+0.7	+1.1
Weighted Total.....	158.8	157.2 _r	158.5	+1.0	+0.2	Weighted Total....	161.0	159.8	159.6	+0.8	+0.9
Kansas City, Mo.						Toledo					
Food.....	192.5	186.0 _r	190.0	+3.5	+1.3	Food.....	212.2	201.9 _r	213.6 _r	+5.1	-0.7
Housing.....	110.7	110.7	109.6	0	+1.0	Housing.....	126.5	126.5	120.8	0	+4.7
Clothing.....	149.3	148.7	152.0	+0.4	-1.8	Clothing.....	142.7	142.1	150.7	+0.4	-5.3
Fuel ¹	121.2	121.2	118.9	0	+1.9	Fuel ¹	146.2	151.5	144.2	-3.5	+1.4
Housefurnishings.....	137.1	138.4	140.5	-0.9	-2.4	Housefurnishings.....	142.4	141.7	144.0 _r	+0.5	-1.1
Sundries.....	149.4	152.4 _r	153.4	-2.0	-2.6	Sundries.....	159.1	157.0 _r	158.8 _r	+1.3	+0.2
Weighted Total.....	152.9	152.0 _r	153.6	+0.6	-0.5	Weighted Total....	166.1	162.7 _r	166.3 _r	+2.1	-0.1
Lansing											
Food.....	224.5	213.5	219.8	+5.2	+2.1						
Housing.....	113.1	112.8	104.2	+0.3	+8.5						
Clothing.....	142.4	142.2	147.5	+0.1	-3.5						
Fuel ¹	138.4	142.2	137.3	-2.7	+0.8						
Housefurnishings.....	149.5	150.6	155.9	-0.7	-4.1						
Sundries.....	163.2	161.8 _r	161.5 _r	+0.9	+1.1						
Weighted Total.....	165.0	161.8 _r	162.2 _r	+2.0	+1.7						

Percentage Changes in Indexes for Two Cities

	Weighted Total		Food		Housing		Clothing		Fuel ¹		Housefurnishings		Sundries	
	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950	Mar. 1950 to June 1950	June 1949 to June 1950
Evansville, Ind.....	+1.6	+0.4	+5.2	+0.4	0	+0.8	-0.3	+1.1	-4.4	-0.7	+0.3	-1.7	-0.1	+1.5
Trenton, N. J.....	+1.6	-0.4	+3.4	-0.5	0	+0.9	+0.2	-1.8	-2.3	+1.8	+0.6	-2.8	+0.7	-0.1

¹Includes electricity and gas. _rRevised.

Source: THE CONFERENCE BOARD

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1950	May 1950	June 1949	May 1950 to June 1950	June 1949 to June 1950		June 1950	May 1950	June 1949	May 1950 to June 1950	June 1949 to June 1950
Birmingham						Indianapolis					
Food.....	204.6	203.0	215.8	+0.8	-5.2	Food.....	216.4	211.9	215.8	+2.1	+0.3
Housing ¹	121.6	121.6	121.6	0	0	Housing ²	121.0	121.0	119.4	0	+1.3
Clothing.....	146.0	146.1	149.8	-0.1	-2.5	Clothing.....	139.8	139.9	144.5	-0.1	-3.3
Fuel ⁴	124.8	124.6	121.6 ^r	+0.2	+2.6	Fuel ⁴	152.8	153.0	149.4	-0.1	+2.3
Housefurnishings.....	148.3	147.5	149.5	+0.5	-0.8	Housefurnishings.....	147.8	147.5	148.7	+0.2	-0.6
Sundries.....	141.6	141.2	141.0	+0.3	+0.4	Sundries.....	160.8	158.8	159.1	+1.3	+1.1
Weighted Total.....	156.4	155.8	159.8 ^r	+0.4	-2.1	Weighted Total.....	166.7	164.8	166.1	+1.2	+0.4
Boston						Los Angeles					
Food.....	193.5	191.3	198.2 ^r	+1.2	-2.4	Food.....	201.6	201.0	207.2	+0.3	-2.7
Housing ²	116.1	116.1	114.4	0	+1.5	Housing ²	114.6	114.6	111.9	0	+2.4
Clothing.....	139.1	138.8	141.8 ^r	+0.2	-1.9	Clothing.....	138.0	137.9	140.7	+0.1	-1.9
Fuel ⁴	154.9	153.1	150.7	+1.2	+2.8	Fuel ⁴	91.8	91.8	91.8	0	0
Housefurnishings.....	153.9	154.1	157.6	-0.1	-2.3	Housefurnishings.....	138.7	138.8	138.4	-0.1	+0.2
Sundries.....	151.4	151.5	150.6	-0.1	+0.5	Sundries.....	149.1	149.1	150.7	0	-1.1
Weighted Total.....	158.6	157.6	159.7	+0.6	-0.7	Weighted Total.....	154.5	154.3	156.5	+0.1	-1.3
Chicago						New Orleans					
Food.....	218.6	214.1 ^r	217.6 ^r	+2.1	+0.5	Food.....	209.7	207.6 ^r	210.3	+1.0	-0.3
Housing ¹	124.3	124.3	120.5	0	+3.2	Housing ²	119.1	119.1	119.4	0	-0.3
Clothing.....	141.0	141.2 ^r	142.9	-0.1	-1.3	Clothing.....	148.6	148.8	150.9	-0.1	-1.5
Fuel ⁴	112.6	112.6	109.8	0	+2.6	Fuel ⁴	90.6	90.6	91.2	0	-0.7
Housefurnishings.....	142.1	141.6 ^r	148.2	+0.4	-4.1	Housefurnishings.....	157.3	159.0	160.8	-1.1	-2.2
Sundries.....	163.4	163.4	154.7	0	+5.6	Sundries.....	141.0	141.0	140.4	0	+0.4
Weighted Total.....	167.3	165.8 ^r	163.9 ^r	+0.9	+2.1	Weighted Total.....	162.2	161.5	162.7	+0.4	-0.3
Denver						New York					
Food.....	209.9	209.2	214.2	+0.3	-2.0	Food.....	199.3	196.3	199.6	+1.5	-0.2
Housing ²	113.4	113.4	113.4	0	0	Housing ²	104.6	104.6	104.4	0	+0.2
Clothing.....	151.7	151.8	150.5	-0.1	+0.8	Clothing.....	142.8	142.5 ^r	144.9 ^r	+0.2	-1.4
Fuel ⁴	105.9	105.9	105.0	0	+0.9	Fuel ⁴	129.7	129.7	128.1 ^r	0	+1.2
Housefurnishings.....	143.3	141.3	143.8	+1.4	-0.3	Housefurnishings.....	150.6	150.4 ^r	152.2 ^r	+0.1	-1.1
Sundries.....	151.1	150.8	149.1	+0.2	+1.3	Sundries.....	160.4	160.4	160.8	0	-0.2
Weighted Total.....	159.5	159.1	160.1	+0.3	-0.4	Weighted Total.....	158.8	157.7	159.2 ^r	+0.7	-0.3
Detroit						Philadelphia					
Food.....	211.6	207.4 ^r	212.7	+2.0	-0.5	Food.....	192.1	191.2 ^r	196.2	+0.5	-2.1
Housing ²	116.2	116.2	114.8	0	+1.2	Housing ²	111.0	111.0	110.4	0	+0.5
Clothing.....	140.4	140.7	143.6	-0.2	-2.2	Clothing.....	135.7	131.8	136.6	+3.0	-0.7
Fuel ⁴	148.9	149.6	147.5	-0.5	+0.9	Fuel ⁴	145.1	144.9	142.6	+0.1	+1.8
Housefurnishings.....	153.3	153.3	155.1	0	-1.2	Housefurnishings.....	147.9	147.8	148.8	+0.1	-0.6
Sundries.....	166.6	166.1	165.5	+0.3	+0.7	Sundries.....	153.7	153.8	153.4	-0.1	+0.2
Weighted Total.....	165.2	163.9 ^r	165.3	+0.8	-0.1	Weighted Total.....	157.8	157.0	159.0	+0.5	-0.8

Source: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November.

³Rents surveyed March, June, September, December.

⁴Includes electricity and gas.

^rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 June.....	160.9	205.7	111.4	143.3	155.2	133.2	124.5	94.2	103.3	150.3	156.8	62.2
July.....	160.4	205.0 ^a	111.4	142.4	153.9	132.6	124.4	94.2	103.3	148.3	156.5	62.3
August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	156.9	62.3
September.....	161.0	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2	62.1
October.....	159.3	200.3 ^b	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6 ^c	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.1
February.....	157.8	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	157.7	63.4
March.....	158.4	197.7	112.3	140.7 ^r	152.1	131.1 ^r	127.9	94.2	102.7	147.6 ^r	157.8	63.1
April.....	158.6 ^r	197.7 ^d	112.6	140.6 ^r	152.1	131.0 ^r	128.8	94.2	102.7	147.9 ^r	158.2	63.1 ^r
May.....	159.8	201.4	112.7	140.7	152.2	130.9 ^r	126.4	94.1	102.7	147.8 ^r	158.3	62.6
June.....	160.9	204.3	112.7	141.2	153.6	130.7	126.4	94.1	102.7	147.9	158.4	62.2

Percentage Changes

May, 1950 to June, 1950..	+0.7	+1.4	0	+0.4	+0.9	-0.2	0	0	0	+0.1	-0.1	-0.6
June, 1949 to June, 1950..	0	-0.7	+1.2	-1.5	-1.0	-1.9	+1.5	-0.1	-0.6	-1.6	+1.0	0

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for July 14, 1949.

^bBased on food prices for October 13, 1949.

^cBased on food prices for Jan. 16, 1950.

^dBased on food prices for April 13, 1950.

^rRevised.

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Revised series: January, 1939=100; series previously was on 1923=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 June.....	161.8	209.0	112.3	145.8	159.0	134.6	127.0	92.0	101.9	150.4	154.6	61.8
July.....	161.3	207.8 _a	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.7	62.0
August.....	161.5	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	155.1	61.9
September.....	162.1	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	155.3	61.7
October.....	160.4	204.0 _b	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2	62.3
November.....	160.5	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3	62.3
December.....	159.5	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3	62.7
Annual average.....	161.3	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0	62.0
1950 January.....	159.7	200.9 _c	114.7	143.2	156.0	132.3	130.5 _r	92.6	101.7 _r	147.6	155.4	62.6
February ³	159.1	199.3	114.7	142.7 _r	155.7	131.8	130.7 _r	92.6	101.7 _r	147.9	155.4	62.9
March.....	159.7 _r	201.0 _r	114.8	142.6	155.5	131.7	131.1 _r	92.7	101.6	147.7 _r	155.5	62.6
April.....	159.9 _r	201.0 _d	115.1	142.5 _r	155.5	131.5 _r	132.0 _r	92.6	101.6	148.1 _r	155.9	62.5
May.....	161.0	204.5 _r	115.3	142.5	155.6 _r	131.4 _r	129.4 _r	92.8	101.6	148.1 _r	155.9	62.1
June.....	162.1	207.7	115.3	143.0	157.0	131.2	129.2	92.8	101.6	148.2	156.1	61.7

Percentage Changes

May, 1950 to June, 1950...	+0.7	+1.6	0	+0.4	+0.9	-0.2	-0.2	0	0	+0.1	+0.1	-0.6
June, 1949 to June, 1950...	+0.2	-0.6	+2.7	-1.9	-1.3	-2.5	+1.7	+0.9	-0.3	-1.5	+1.0	-0.2

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from May 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for July 14, 1949.

^bBased on food prices for October 13, 1949.

^cBased on food prices for January 16, 1950.

^dBased on food prices for April 13, 1950.

^rRevised.

Rugs were responsible for the 0.1% increase in housefurnishings, offset in part by scattered decreases in living room sets.

The sundries index, which was higher by the same amount, reflected increases in gasoline prices. The

purchasing value of the dollar (January, 1939=100 cents) declined 0.6% from May, falling to 61.7 cents. This was 0.1 cent lower than its value a year ago.

SHIRLEY FASS
Statistical Division

Management Book Shelf

Executives Evaluate Administrative Conferences—Interviews with seventy-five executives (twenty-five each from manufacturing firms, Federal Government agencies, and service organizations) reveal that administrative conferences are held for two chief reasons: to communicate information and to reach group decisions. The average executive reported that he spent ten hours per week in conferences, more than one fourth of his work week. On the whole, administrative conferences are regarded as helpful and important, but time consuming. *By Martin Kriesberg in Advanced Management, March, 1950.*

Second Industrial Relations Conference Report, University of Montreal—A report of the four major addresses made at the March 13-14, 1950, "Conference on Trends in Industrial Relations," conducted by the University of Montreal. Included are the remarks of George W. Taylor on "Collective Bargaining Trends," Carroll R. Daugherty on "Recent Steel Labor Dispute and Its Effects on Pen-sions," James C. Cameron on "Trends in Arbitration and Conciliation," and Bryce M. Stewart on "Management

Policy in Industrial Relations." *Industrial Relations Section, University of Montreal, Montreal, Canada.*

Conducting Wage Surveys—Proceedings of a conference held February 10-11, 1949, at the Center for Continuation Study, University of Minnesota. Topics discussed include uses of wage survey data, planning the survey, preparing the schedule, conducting the survey and presenting the results. *Research and Technical Report 4, Industrial Relations Center, University of Minnesota. 1949. 51 pp. \$1.00. Orders for this publication should be addressed to Wm. C. Brown Company, Publishers, Dubuque, Iowa.*

Working with People—A close-up study of human relations problems on the work scene, designed especially for the front-line supervisor. Written in semifictional, dialogue style, it translates the scientific behavioristic discoveries of psychologists, sociologists, and anthropologists into a working guide for handling practical daily personnel problems in plant and office. *By Auren Usis and Betty Shapin, The Macmillan Co., New York, 1949. 311 pp., \$3.*

THE CONFERENCE BOARD

Significant Labor Statistics

Item	Unit	1950						1949	Year Ago	Percentage Change	
		June	May	April	March	Feb.	Jan.	Dec.		Latest Month over Previous Month	Latest Month over Year Previous
Clerical salary rates¹											
Office boy (or girl).....	median in dollars	.....	.....	32	.....	.....	.....	.....	.....	.....	.....
Receptionist.....	median in dollars	.....	.....	44.50	.....	.....	.....	.....	.....	.....	.....
Telephone switchboard operator.....	median in dollars	.....	.....	47	.....	.....	.....	.....	.....	.....	.....
File clerk.....	median in dollars	.....	.....	33	.....	.....	.....	.....	.....	.....	.....
Junior copy typist.....	median in dollars	.....	.....	36	.....	.....	.....	.....	.....	.....	.....
Senior copy typist.....	median in dollars	.....	.....	40	.....	.....	.....	.....	.....	.....	.....
Junior dictating machine transcriber.....	median in dollars	.....	.....	34	.....	.....	.....	.....	.....	.....	.....
Senior dictating machine transcriber.....	median in dollars	.....	.....	40	.....	.....	.....	.....	.....	.....	.....
Stenographer.....	median in dollars	.....	.....	46	.....	.....	.....	.....	.....	.....	.....
Bookkeeping machine operator.....	median in dollars	.....	.....	38	.....	.....	.....	.....	.....	.....	.....
Billing machine operator.....	median in dollars	.....	.....	43	.....	.....	.....	.....	.....	.....	.....
Calculating machine or Comptometer oper.....	median in dollars	.....	.....	41	.....	.....	.....	.....	.....	.....	.....
Key punch operator.....	median in dollars	.....	.....	40	.....	.....	.....	.....	.....	.....	.....
Consumers' Price Index											
Food.....	Jan. 1939=100	207.7	204.5	201.0	201.0	199.3	200.9	200.9	209.0	+1.6	-0.6
Housing.....	Jan. 1939=100	115.8	115.3	115.1	114.8	114.7	114.7	113.7	112.3	0	+2.7
Clothing.....	Jan. 1939=100	143.0	142.5	142.5	142.6	142.7	143.2	143.6	145.8	+0.4	-1.9
Men's.....	Jan. 1939=100	157.0	155.6	155.5	155.5	155.7	156.0	156.2	159.0	+0.9	-1.3
Women's.....	Jan. 1939=100	131.2	131.4	131.5	131.7	131.8	132.3	132.8	134.6	-0.2	-2.5
Fuels.....	Jan. 1939=100	129.2	129.4	132.0	131.1	130.7	130.5	130.1	127.0	-0.2	+1.7
Electricity.....	Jan. 1939=100	92.8	92.8	92.6	92.7	92.6	92.6	92.6	92.0	0	+0.9
Gas.....	Jan. 1939=100	101.6	101.6	101.6	101.6	101.7	101.7	102.0	101.9	0	-0.3
Housefurnishings.....	Jan. 1939=100	148.2	148.1	148.1	147.7	147.9	147.6	147.5	150.4	+0.1	-1.5
Sundries.....	Jan. 1939=100	156.1	155.9	155.9	155.5	155.4	155.4	155.3	154.6	+0.1	+1.0
All items.....	Jan. 1939=100	162.1	161.0	159.9	159.7	159.1	159.7	159.5	161.8	+0.7	+0.2
Purchasing value of dollar.....	Jan. 1939 dollars	61.7	62.1	62.5	62.6	62.9	62.6	62.7	61.8	-0.6	-0.2
All items (BLS).....	1935-1939=100	170.2	168.6	167.3	167.0	166.5	166.9	167.5	169.6	+0.9	+0.4
Strikes (BLS)											
Beginning in period.....	number	.....	p 450	p 400	260	210	225	150	449	+12.5	+0.2
Workers involved.....	thousands	.....	p 325	p 160	80	75	185	40	231	+103.1	+40.7
Total man days idle.....	thousands	.....	p 3,000	p 3,150	3,750	7,850	2,600	1,200	3,430	-4.8	-12.5
Turnover rates in manufacturing (BLS)											
Separations ²	per 100 employees	.....	p 3.1	2.8	2.9	3.0	3.1	3.2	5.2	+10.7	-40.4
Quits.....	per 100 employees	.....	p 1.6	1.3	1.2	1.0	1.1	.9	1.6	+23.1	0
Discharges.....	per 100 employees	.....	p .3	.2	.2	.2	.2	.2	.2	+50.0	+50.0
Layoffs.....	per 100 employees	.....	p 1.1	1.2	1.4	1.7	1.7	2.0	3.3	-8.3	+66.7
Accessions.....	per 100 employees	.....	p 4.2	3.5	3.6	3.2	3.6	3.2	3.5	+20.0	+20.0
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.454	1.443	1.434	1.424	1.420	1.418	1.408	1.405	+0.8	+3.5
weekly.....	average in dollars	p 58.89	57.72	56.93	56.53	56.37	56.29	56.04	54.51	+2.0	+8.0
Hours per production worker.....	average per week	p 40.5	40.0	39.7	39.7	39.7	39.7	39.8	38.8	+1.3	+4.4
Employment.....	1939 average=100	.....	144.5	141.6	141.0	139.9	139.8	140.4	138.2	+2.0	+4.6
Payrolls.....	1939 average=100	.....	349.0	337.2	333.5	330.0	329.2	329.3	312.8	+3.5	+11.6
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.525	1.509	1.498	1.486	1.483	1.485	1.476	1.475	+1.1	+3.4
weekly.....	average in dollars	p 63.14	61.72	60.97	59.74	59.47	59.40	59.19	57.82	+2.3	+9.2
Hours per production worker.....	average per week	p 41.4	40.9	40.7	40.2	40.1	40.0	40.1	39.2	+1.2	+5.6
Employment.....	thousands	p 6,585	6,450	6,196	6,070	5,979	6,000	5,961	6,022	+2.1	+9.3
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.364	1.359	1.356	1.353	1.350	1.343	1.334	1.324	+0.4	+3.0
weekly.....	average in dollars	p 53.74	52.87	52.21	53.04	53.06	52.91	52.69	50.97	+1.6	+5.4
Hours per production worker.....	average per week	p 39.4	38.9	38.5	39.2	39.3	39.4	39.5	38.5	+1.3	+2.3
Employment.....	thousands	p 5,454	5,387	5,400	5,479	5,478	5,449	5,543	5,315	+1.2	+2.6
Class I railroads³											
Earnings, hourly.....	average in dollars	.....	.....	.....	1.613	1.629	1.624	1.625	1.403	-1.0	+15.0
weekly.....	average in dollars	.....	.....	.....	71.78	69.10	68.64	69.90	67.38	+3.9	+6.5
"Real" weekly earnings.....	1923=100	.....	.....	.....	179.9	173.9	172.2	175.8	167.1	+3.5	+7.7
Hours per wage earner.....	average per week	.....	.....	.....	44.5	42.4	42.3	43.0	48.0	+5.0	-7.3
Agricultural wage rates (BAE)⁴											
With board and room, per month.....	average in dollars	.....	.....	92.00	.....	.....	96.00	.....	97.00	-4.2	-5.2
With house, per month.....	average in dollars	.....	.....	113.00	.....	.....	118.00	.....	116.00	-4.2	-2.6
Composite rate per hour.....	average in dollars	.....	.....	.47	.....	.....	.59	.....	.48	-20.3	-2.1

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Based on reports from Minneapolis-St. Paul.

²Includes miscellaneous; shown separately prior to February, 1950.

³Derived from Interstate Commerce Commission reports.

⁴Changes in Agricultural Wage Rates are quarterly.

pPreliminary.

rRevised.

Wage Settlement Announcements—June 15 to July 15

- A. Wage Increase Announcements
- B. Settlements for Fringe Benefits Only
- C. No Change in Wage Structure

Note: Adjustments verified by company unless otherwise specified

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products</i>							
American Cyanamid Co..... Marietta, O.	WE	\$.05 hr.	5-1-50	150	<i>n.a.</i>	<i>n.a.</i>	Three weeks' vacation after 15 years of service; 4 weeks after 25. (Int'l Chemical Workers, AFL)
The Drackett Co..... Cincinnati, O.	WE	\$.03 hr. common labor	3-27-50	265	\$1.08 hr.	<i>n.a.</i>	Three weeks' vacation after 15 years' service. Wage reopening 3-27-51. (Int'l Chemical Workers, AFL)
E. I. du Pont de Nemours & Co., Inc. Seneca, Ill.	WE	\$.06 hr.	5-8-50	320	\$1.69 hr. average	8-2-48	Wage reopening on 30 days' notice. (Int'l Chemical Workers, AFL)
Hercules Powder Co..... Bessemer, Ala.	WE	\$.07 hr. average	3-1-50	174	\$1.55 hr.	10-4-48	(UMW, Dist. 50)
Mutual Chemical Co..... Jersey City, N. J.	WE	\$.04 hr.	4-1-50	196	\$1.16 hr. base labor	4-1-49	Increased surgical insurance from \$150 to \$175 maximum. Increased special services benefit under hospital insurance from \$30 to \$60. Weekly sick benefit increased from \$22 to \$26. Retired employees to get paid-up life insurance on retirement at 65. Amount depends on length of continuous service. Prorata vacation for laid-off employees. Three weeks' vacation for 15 years' service. (United Gas, Coke & Chemical Workers, CIO)
National Carbide Co..... Louisville, Ky.	WE	\$.06 hr. across the board	5-14-50	290	\$1.51 hr. approx.	5-14-49	Wage reopening 5-14-51. (Int'l Bro. of Firemen & Oilers, AFL; Int'l Bro. of Electrical Workers, AFL)
Oldbury Electro-Chemical Co..... Niagara Falls, N. Y.	WE	\$.04 hr.	6-7-50	360	<i>n.a.</i>	8-2-48	Employee dependents covered by present surgical plan. Weekly disability benefit increased to \$35 per week. Hospitalization extended to semi-private coverage. Contributory pension plan of \$100 per month, including Social Security after 25 years' service. Shift differential raised to 12¢ for second shift and 18¢ for third shift. Wage reopening 3-7-51. (UMW, Dist. 50)
Virginia-Carolina Chemical Corp.... Mulberry, Fla.	WE	\$.05 hr.	4-5-50	25 approx.	\$1.05 hr. minimum \$1.42 hr. maximum	4-5-49	Two additional paid holidays. (Office Employees Int'l Union, AFL)
Bartow, Fla.	WE	\$.03 hr.	4-5-50	700 approx.	\$1.05 hr. minimum \$1.86 hr. maximum	4-5-49	Shift differentials of 4¢ and 6¢. (Int'l Chemical Workers, AFL)
<i>Distribution</i>							
*Concrete Truck Drivers..... Monroe, Mich.	WE	\$.18 hr.	6-50	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Additional 10¢ hour 5-1-51. Payment by companies of \$1 a week into health and welfare fund (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
*Greater Pittsburgh Milk Dealers Association Western Pennsylvania	WE	see remarks	see remarks	2,000 approx.	<i>n.a.</i>	<i>n.a.</i>	Forty-four hour week with 48-hour pay from 5-1 to 11-1; after that 40-hour week with 48 hours' pay. Driver-salesmen guaranteed \$12.50 a day. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
*Milk Truck Drivers..... Albany, N. Y.	WE	see remarks	see remarks	600	<i>n.a.</i>	<i>n.a.</i>	Drivers to receive 44 hours' pay for 40 hours' work. Contract signed 6-30-50 to be effective in 90 days. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
<i>Metal Manufactures</i>							
Automatic Products Co..... Milwaukee, Wis.	WE	\$.05 hr. day workers \$.03 hr. piece workers	4-1-50	700 approx.	<i>n.a.</i>	<i>n.a.</i>	Six paid holidays. Increased insurance benefits. Wage reopening 1-1-51. (UAW, AFL)
Borg-Warner Corp..... Norge Division Muskegon Heights, Mich.	WE	\$.05 hr.	5-22-50	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	Company-paid insurance plan for employees. Wage reopening after 3-1-51 upon 60 days' notice. (UAW, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—JUNE 15 TO JULY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufacturers (Continued)</i>							
The Cuno Engineering Corporation.. Meriden, Conn.	WE	\$0.03 hr. incentive \$0.08 hr. nonincen- tive	5-1-50	135	\$1.40 hr.	8-48	Contract may be reopened for wages at any time. (UAW, AFL)
	S	\$2 wk. average	5-1-50	40	n.a.	n.a.	(No union)
*General Electric Co..... Interstate	WE	3%	7-50	130,000 approx.	n.a.	n.a.	Minimum increase of 4¢ hour. Broadened pen- sion and social insurance program. Increase effective for nearly all employees. Covers: those outside of union bargaining units, employees represented by unions having contracts open or openable at this time, employees in units where elections have been held but where certifications have been held up by NLRB, and employees represented by United Electrical, Radio, and Machine Workers, and Int'l Union of Electrical, Radio and Machine Workers, CIO. (Plumbers & Steamfitters Union, AFL)
General Electric Co..... Schenectady, N. Y.	WE	\$1.05 hr. mainte- nance	7-50	378	n.a.	n.a.	
W. & L. E. Gurley..... Troy, N. Y.	WE	\$0.05 hr.	4-3-50	166	n.a.	n.a.	Wage reopening 60 days after request by either party. (UMW, Dist. 50)
Independent Pneumatic Tool Co.... Rockford, Ill.	WE	\$0.03 hr.	5-3-50	615	\$1.47 hr.	5-3-49	Three weeks' vacation after 20 years' service. Company to pay 60% of group insurance instead of 50%. Wage reopening 5-3-51. (Int'l Ass'n of Machinists, Ind.)
Ironite Ironer Co..... Mt. Clemens, Mich.	WE	\$0.085 hr.	3-13-50	442	\$1.60 hr.	5-24-48	Additional vacation allowance amounting to 1½¢ hour. Wage reopening 4-1-51. (United Electrical, Radio & Machine Workers)
*F. L. Jacobs Co..... Detroit, Mich.	WE	\$0.035 hr.	An- nounced 6-29-50	600	n.a.	n.a.	Increased vacation, hospital and insurance ben- efits retroactive to 11-17-49. (UAW, CIO)
Koehring Co..... Milwaukee, Wis.	WE	\$0.085 hr.	3-6-50	177	\$1.451 hr. average	5-17-48	Three weeks' vacation after 15 years' service instead of 25. Wage reopening on 60 days' notice. (Int'l Ass'n Machinists, Ind.)
Line Material Co..... Milwaukee, Wis.	WE	\$0.025 hr.	4-12-50	364	n.a.	n.a.	Pension plan, improved incentive payments and merit rating for day workers. No wage reopen- ing. (United Electrical, Radio & Machine Workers)
Messinger Mfg. Co..... Tatamy, Pa.	WE	\$0.05 hr.	4-1-50	76	n.a.	n.a.	Insurance policy of \$1,000. Wage reopening 4-1-50. (UMW, Dist. 50)
	S	\$0.05 hr.	4-1-50	10	n.a.	n.a.	
Miehle Printing Press & Mfg. Co.... Chicago, Ill.	WE	\$0.05 hr.	5-1-50	1,000	\$1.62 hr. average	3-15-49	Three weeks' vacation for employees with 15 years of service instead of 20. Wage reopening 5-1-51. (United Electrical, Radio & Machine Workers)
Modine Manufacturing Co..... Racine, Wis.	WE	\$0.04 hr. to \$0.07 hr.	7-16-50	600	\$1.45 hr.	7-16-48	Minor adjustments in group insurance benefits. Wage reopening 7-16-51. (UAW, CIO)
Ohio Brass Co..... Cincinnati, O.	WE	5%	6-1-50	1,400	n.a.	n.a.	Liberalized vacation—1 week after 1 year; 2 weeks after 3 years; 3 weeks after 20 years. Severance pay after 5 years. Employees with 20 years' service and who are disabled will re- ceive disability pay if over 60. Wage reopening 6-1-51. (United Electrical, Radio, and Machine Workers)
Servel, Inc..... Evansville, Ind.	WE	\$0.05 hr.	6-9-50	4,500	\$1.105 hr. minimum \$1.95 hr. maximum	6-48	Company-paid hospitalization, surgical, and polio benefits for employees and their dependents. Contract closed until 6-24-51. (United Elec- trical, Radio and Machine Workers)
	S	\$9 mo.	6-12-50	1,500	n.a.	n.a.	(No union)
Stewart-Warner Corporation..... Chicago, Ill.	WE	\$0.10 hr.	4-24-50	150	n.a.	7-2-48	Improved vacation benefits. Wage reopening 6-1-51. (Int'l Ass'n of Machinists, Ind.)
Tung-Sol Lamp Works, Inc..... Newark, N. J.	WE	\$0.05 hr.	5-15-50	2,100	n.a.	n.a.	Company will now pay 80% of group insurance costs instead of 60%. (United Electrical, Radio & Machine Workers)
<i>Metals</i>							
*Carnegie-Illinois Steel, National Tube, American Steel & Wire, and Columbia Steel Companies	S	\$1.11 hr.	An- nounced 5-11-50	24,000	n.a.	n.a.	Retroactive to 1-44. (United Steelworkers, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—JUNE 15 TO JULY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metals (Continued)</i>							
Ceco Steel Products Corporation.... Birmingham, Ala.	WE	\$1.10 hr. general	5-1-50	116	\$1.00 hr. average	n.a.	Additional average increase of 2½¢ hour as result of adjustment of job classification. Shift differential changed from 4¢ for second shift and 6¢ for third to 5¢ for both. Six paid holidays. Wage reopening 3-1-51. (Int'l Ass'n of Bridge, Structural and Ornamental Iron Workers, AFL)
Hillside, N. J.	WE	\$1.10 hr. average	5-1-50	75	\$1.33 hr. average	n.a.	Free hospitalization for employees; employee pays for dependents. Wage reopening 3-1-51. (Int'l Bro. of Blacksmiths, Drop Forgers & Helpers, AFL)
Herron Zimmers Moulding Co..... Detroit, Mich.	WE	\$3.03 hr.	6-17-50	1,000	n.a.	n.a.	Noncontributory group life, sickness, accident and hospitalization insurance. Wage reopening 6-30-52. (UAW, CIO)
Pittsburgh Metallurgical Co., Inc.... Niagara Falls, N. Y.	WE	\$5.05 hr.	5-3-50	260	\$1.25 hr. starting rate	5-3-49	Increased shift differentials. Contract closed for 1 year. (UMW, Dist. 50)
Shapleigh Hardware Co..... St. Louis, Mo.	WE	\$1.10 hr.	6-1-50	1,100	n.a.	n.a.	Additional 2½¢ hour increase effective 12-1-51. Health fund to include dependents. Wage reopening 6-1-52. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
*Vincent-McCall Co..... Kenosha, Wis.	WE	\$1.10 hr. day labor	5-1-50	92	n.a.	n.a.	Additional holiday and vacation benefits. Contract expires 6-30-52. Three reopening dates specified at six-month intervals. (UAW, CIO)
*Wheeling Steel Corporation..... Wheeling and Benwood, W. Va., Steubenville, Martins Ferry, and Portsmouth, O.	S	\$2.21 hr. average	Announced 6-20-50	600	\$3.97 hr. starting rate	7-1-44	Retroactive to 7-1-44. (United Steelworkers, CIO)
<i>Paper and Paper Products</i>							
F. N. Burt Co., Inc..... Buffalo, N. Y.	WE	\$3.03 hr.	5-5-50	600	n.a.	5-5-49	Hospitalization benefits. Jury duty pay differential. Wage reopening 5-5-51. (UMW, Dist. 50)
Champion-International Co..... Lawrence, Mass.	S WE	\$1.50 wk. \$3.06 hr.	5-5-50 6-1-50	150 573	n.a. \$1.28 hr. average	n.a. 6-1-48	(No union) Three weeks' vacation after 15 years, or 14 years and 1,600 hours. Wage reopening 6-1-51. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Firemen & Oilers, AFL)
Chesapeake Corporation of Virginia. West Point, Va.	WE	6.5%	6-14-50	600	n.a.	6-14-49	Three weeks' vacation after 15 years' service. Wage reopening 6-14-51. (Int'l Bro. of Paper Makers, AFL; Pulp, Sulphite & Paper Mill Workers, AFL)
Columbia Box Board Mills, Inc..... Chatham, N. Y.	S WE	6.5% 5%	6-14-50 5-15-50	80 75	n.a. \$1.11 hr. minimum	6-14-49 5-15-49	(No union) Company furnishes mill uniforms for all employees. Wage reopening 5-15-51. (Int'l Bro. of Paper Makers, AFL)
Green Bay Paper & Pulp Co..... Green Bay, Wis.	WE	\$3.07 hr.	1-1-50	27	\$1.15 hr.	1-1-49	(Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Hammermill Paper Co..... Erie, Pa.	WE	\$3.05 hr.	3-1-50	10	\$1.73 hr. engineers \$1.46 hr. firemen	3-1-48	Extension of contributory group insurance coverage on a contributory basis for entire twelve months. Engineers work 10 months, firemen work 9 months. Wage reopening 3-1-51. (Int'l Bro. of Firemen and Oilers, AFL)
Keyes Fibre Co..... Hammond, Ind.	WE	\$3.05 hr. across the board	6-1-50	200	n.a.	6-1-49	Three weeks' vacation after 15 years' service. One additional paid holiday making total of 5. Noncontributory pension plan. Wage reopening 6-1-51. (Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL)
Rhineland Paper Co..... Rhineland, Wis.	WE	see remarks	6-1-50	799	\$1.12, \$1.21, \$1.28 hr. base rates	6-1-48	Increase of 6¢ for those earning \$1.12 to \$1.41, 6¢ for \$1.42 to \$1.61 and 5¢ for \$1.62 to \$1.85 hour. One wage reopening during contract year after 1-17 contract year. (Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL; Int'l Bro. of Paper Makers, AFL)
St. Regis Paper Co..... Bucksport, Me.	WE	\$3.03 hr.	5-1-50	750	\$1.15 hr.	5-1-49	Three weeks' vacation after 15 years' service. Shift differential of 0-3-3. No wage reopening (Int'l Bro. Paper Makers, AFL; Int'l Bro. Pulp, Sulphite and Paper Mill Workers, AFL; Int'l Ass'n of Machinists, Ind.)
Kalamazoo, Mich.	WE	\$3.05 hr.	3-15-50	750	\$1.08 hr.	3-15-49	Two additional paid holidays making a total of 5. Three weeks' vacation after 15 years. No wage reopening. (Int'l Bro. of Paper Makers, AFL)
<i>Public Utilities</i>							
Commonwealth Edison Co..... Chicago, Ill.	WE	\$3.05 hr.	4-1-50	7,285	n.a.	n.a.	Wage reopening 4-1-50. (Int'l Bro. of Electrical Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—JUNE 15 TO JULY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Public Utilities (Continued)</i>							
Lowell Gas Company..... Lowell, Mass.	WE	\$0.02 hr.	4-16-50	87	<i>n.a.</i>	<i>n.a.</i>	Sick time increased to one week for each year of service. Hospital and surgical insurance granted at no cost to employees. Pension plan. Reopening on cost of living after one year. (UMW, Dist. 50)
New Haven Water Co..... New Haven, Conn.	WE	\$0.03 hr.	4-15-50	125	\$1.10 hr. to \$1.63 hr.	4-15-49	Three weeks' vacation after 15 years, instead of 20. Sick pay. (UMW, Dist. 50)
<i>Textile and Textile Products</i>							
Armstrong Cork Co..... Fulton, N. Y.	WE	\$0.05 hr.	6-5-50	406	\$1.125 hr.	2-3-48	Night shift differential increased from 4¢ and 8¢ to 5¢ and 10¢ for second and third shifts; three weeks' vacation after 15 instead of 20 years' service. Two-year contract, no wage reopening. (Textile Workers, CIO)
Globe Woven Belting Co., Inc..... Buffalo, N. Y.	WE	\$0.075 hr.	5-28-50	150	\$1.275 hr. average	<i>n.a.</i>	Additional vacation and insurance benefits. Wage reopening 5-28-51. (Textile Workers, CIO)
*Master Engravers Guild..... New Jersey and New England	S	\$15 wk.	7-50	<i>n.a.</i>	\$97 wk.	<i>n.a.</i>	Two-year contract. Limitation in number of apprentices company may take on during the contract term. (Friendly Society of Engravers & Sketch Makers, Ind.)
<i>Transportation and Communication</i>							
*Board of Transportation..... New York City	WE	\$1.11 hr.	6-50	35,929	<i>n.a.</i>	<i>n.a.</i>	Third week vacation after 10 years. Additional holiday each year. (Agreement may be rescinded by the board any time before 6-30-52 on 45 days' notice.) Seniority, checkoff, sick leave, and run schedules were also agreed upon. (Transport Workers, CIO)
Frisco Transportation Co..... Springfield, Mo.	WE	\$60 day	6-16-50	21	<i>n.a.</i>	<i>n.a.</i>	Contract effective until 6-16-51, subject to change or cancellation by either party 60 days prior to 6-16-51. Contract will be effective until 6-16-52 if no written notice served. (Bro. of Railroad Trainmen, Ind.)
*Lake Terminal Railroad..... Lorain, O.	WE	\$18 hr.	6-50	350	<i>n.a.</i>	<i>n.a.</i>	Temporary wage agreement. Also, additional 2¢ hour hike in fringes. (Bro. of Railroad Trainmen, Ind.)
Mid-Continent Airlines, Inc..... Interstate	S	\$14.52 mo.	<i>n.a.</i>	465	<i>n.a.</i>	1-1-49	Shift differentials of 5¢ per hour for shifts starting between 12:00 noon and 6:00 p.m. and 10¢ per hour for shifts starting between 6:00 p.m. and 6:00 a.m. (Bro. of Railway & Steamship Clerks, AFL)
*Pacific Airmotive Corporation..... Linden, N. J.	WE	\$0.07 hr.	6-27	200	<i>n.a.</i>	<i>n.a.</i>	Annual 4¢ hour increase. Cost of living escalator clause. Four-year contract, no wage reopening. (UAW, CIO)
Public Service Coordinated Transport Co. Public Service Interstate Transportation Co. Southern Bell Telephone & Telegraph Co. Interstate	WE and S	\$0.065 hr. see remarks	6-1-50 5-28-50 6-1-50	<i>n.a.</i> 25,800	\$1.525 hr. <i>n.a.</i>	11-1-49 6-48	(Amalg. Assoc. Street, Electric Railway & Motor Coach Employees, AFL) Result of wage reopening of three-year contract which expires 6-5-51. No general wage increase but revision in wage progression schedule. (Communications Workers, CIO)
*Transit Lines..... Los Angeles, Cal.	WE	\$0.05 hr.	6-20-50	<i>n.a.</i>	\$1.47 hr. operators \$1.67 hr. mechanics	<i>n.a.</i>	Additional 3¢ hour effective in a year. Guaranteed 8-hour day, 40-hour week. Vacation provisions clarified. Two-year contract
Triboro Coach Corp. & Jamaica Buses, Inc. Queens County, N. Y.	WE	\$0.05 hr.	Retro 7-1-49	<i>n.a.</i>	\$1.44 hr.	<i>n.a.</i>	Three weeks' vacation for 10 years' service. (Transport Workers Union, CIO)
<i>Miscellaneous</i>							
Ball Brothers Co..... Noblesville, Ind.	WE	\$0.035 hr.	2-4-50	175	\$1.16 hr. average	2-4-49	Wage reopening any time after 8-4-50 upon 10 days' notice. (United Paper Workers, CIO)
*Building Trades Employers Ass'n... New York	WE	\$10 hr. to \$25 hr.	7-50	120,000	<i>n.a.</i>	1-48	Contract covers 24 crafts. Minimum wage—\$1.90 hour paid to excavating laborers; maximum—\$3.25 hour to stone setters and structural iron workers. Six paid holidays a year; pension or welfare plan financed by a 3% levy on pay roll. Three-year contract. (Building & Construction Trades Council, AFL)
*Columbia University..... New York, N. Y.	WE	\$0.04 hr. to \$0.08 hr.	7-50	700	<i>n.a.</i>	<i>n.a.</i>	Affects maintenance workers. New wages range from \$.95 hour to \$1.93 hour. If BLS cost of living index goes above 176 or below 159 by 7-1-51, wages will be subject to renegotiation. (Transport Workers Union, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—JUNE 15 TO JULY 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Miscellaneous (Continued)</i>							
H. J. Heinz Co..... St. Louis, Mo.	WE	\$.04 hr.	1-27-50	6	\$1.20 hr.	10-14-48	Wage reopening 10-13-50. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
B. F. Goodrich Co..... San Diego, Cal.	WE	\$.075 hr.	6-1-50	5	\$1.18 hr. to \$1.23 hr.	6-1-49	Improved employee benefit program. Wage reopening 6-1-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen, & Helpers, AFL)
Koppers Co..... Houston, Tex.	WE	\$.02 hr.	4-1-50	78	n.a.	n.a.	(Int'l Woodworkers, CIO)
Kobuta, Pa.	WE	\$.05 hr.	5-1-50	478	n.a.	n.a.	(United Gas, Coke & Chemical Workers, CIO)
Macy's..... New York, N. Y.	S	\$1 wk. general	Retro to 2-1-50	n.a.	n.a.	n.a.	Two-year extension of contract, now will run until 2-1-53. Additional \$1.50 week increase 2-1-51. At that time company will absorb full cost of hospital and health plan. Wage inequities adjusted. Wage reopening 2-52. (Department Store Union 1-S, Ind.)
*Plumbers..... Rochester, N. Y.	WE	\$.15 hr.	6-50	475	\$2.40 hr.	n.a.	Additional 10¢ hour increase 5-1-51. (United Ass'n of Journeymen & Apprentices of Plumbing & Pipe Fitting Industry, AFL)
Showers Bros. Co., Inc..... Bloomington, Ind.	WE	\$.03 hr.	6-12-50	750	n.a.	n.a.	Additional 2¢ hour increase effective 12-3-50. Incentive plan whereby 18¢ per hour will be added to all wage rate brackets except to minimum rated. Wage reopening 7-2-51. (Up-holsterers' Int. Union, AFL)
The Rudolph Wurlitzer Company... North Tonawanda, N. Y.	S	\$.03 hr.	6-12-50	60	n.a.	n.a.	Three weeks' vacation after 15 years instead of 20 years. Partial vacation benefits for employees who have worked at least 16 pay roll periods, formerly no vacation until 26 pay roll periods worked. Two-year contract. No wage reopening before 5-1-51. (Int'l Union Electrical, Radio and Machine Workers, CIO).
	WE	\$.09 hr.	5-1-50	1,200 approx.	\$1.50 hr. average	8-9-48	

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Automobile Parts and Accessories</i>				
*Budd Company..... Detroit, Mich.	WE	5-29-50	7,000	Maximum monthly pension of \$100 for employees age 65 with 25 years' service. Company to make up the difference between Social Security and the maximum. For each year of pension credit, 1,600 hours of work required; additional hours credited against following year. Totally disabled workers receive \$80 month after 15 years' service. (UAW, CIO)
Philadelphia, Pa.	S	5-29-50	750	Pension of \$68 month excluding Social Security to workers 65 years of age with 25 years' service. Payment of \$1 monthly provided for each service year over 25, up to additional 5 years. Maximum monthly pension exclusive of Social Security of \$73 for employees with 30 years' service. (Ind. Office Workers Union)
*Kaiser-Frazer Corporation..... Four plants, Michigan	WE	An- nounced 6-50	10,000	Over-all retirement pension of \$100 to \$125 month. Workers retiring at age 65 with more than 5 but less than 25 years' service will receive \$50 a month plus \$2.50 for each year of credited service over 5. Minimum monthly pension of \$50 for those with less than 5 years' service. No compulsory retirement age in plan. Plan subject to adjustment if Social Security Act amended. Five-year agreement. (UAW, CIO)
*Studebaker Corporation..... South Bend, Ind.	WE	6-14-50	23,000	Noncontributory \$100 month minimum pension, including Social Security, at age 65 with 25 years' service. Workers with 10 to 25 years' service to receive \$4 monthly minimum for each service year. (UAW, CIO)
<i>Chemicals and Allied Products</i>				
*Allied Chemical & Dye Corp..... Cleveland, O.	WE	n.a.	n.a.	Noncontributory minimum pension of \$100 a month, including Social Security, for employees age 65 with 25 years' service. Modified benefits granted to employees with 15 or more years' service. Five-year contract. (UMW, Ind.)
Pennsylvania Salt Mfg. Co..... Wyandotte, Mich.	WE	n.a.	783	Contract expires 8-9-51. Regular pay for jury duty. \$1.80 per month for hospitalization. (UMW, Dist. 50)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>etal Manufactures</i>				
Allis-Chalmers Manufacturing Co..... Five plants	WE	n.a.	16,000	Five-year noncontributory plan. Monthly pension of \$100 including Social Security for employees retiring at age 65 with 25 years' service. Lesser benefits for workers age 55 with 15 or more service years. (UAW, CIO)
Automotive Tool and Die Manufacturers Association 70 plants Detroit area	WE	n.a.	3,500	Pension of \$100 month, including Social Security, at age 65 with 25 years' service. Employers to contribute approximately 8¢ hour per employee to pension pool. Worker can shift from one company to another without loss of service credit. Association members will also pay the equivalent of \$3 month for hospital and medical insurance. No compulsory retirement age. (UAW, CIO)
International Harvester Co..... Chicago, Ill.	WE	7-1-50	2,000	Minimum monthly pension of \$100 including Social Security for employees age 65 with 25 years' service. Also separate pension annuity paid equally by company and employee. (Int'l Ass'n of Machinists, Ind.)
Illinois, Indiana, Kentucky, Tennessee, Ohio	WE	6-3-50	n.a.	Noncontributory retirement pension of \$100 month, including Social Security for employees age 65 with 25 years' service. Increased group life and hospitalization insurance. (UAW, CIO)
Link Belt Company..... Interstate	WE	n.a.	n.a.	Pensions and liberalized social insurance benefits. Indianapolis plant also received 3 additional paid holidays. (United Steelworkers, CIO)
Rockwell Mfg. Co..... Pittsburgh, Pa.	WE	n.a.	n.a.	Four additional paid holidays making total of 6. Improved group insurance program. No wage reopening. (UAW, AFL)
A. E. Staley Co..... Decatur, Ill.	WE	n.a.	n.a.	Minimum pension of \$100 month for employees retiring at age 65 with 30 years' service. (UAW, AFL)
<i>roleum and Allied Products</i>				
American Petroleum Company..... Silsbee, Tex.	WE	5-27-50	n.a.	Increase in paid sick leave benefit time. Added holiday pay if holiday observed on scheduled work day while employee on vacation. No wage reopening. (Oil Workers Int'l Union, CIO)
Fiske Brothers Refining Co..... Toledo, O.	WE	2-18-50	45	Ten cents per hour in lieu of pensions. Pensions not subject to bargaining for 5 years. (Oil Workers Int'l Union, CIO)
Humble Oil and Refining Company..... Baytown, Tex.	WE	n.a.	n.a.	One additional paid holiday making a total of seven. (Bro. of Railroad Trainmen, Ind.)
<i>ubber and Allied Products</i>				
Dunlop Tire and Rubber Corporation... New York	WE and S	*6-50	*1,200 approx.	Pension of \$100 month, including Social Security, at age 65 with 25 years' service. All employees covered. Weekly sick benefit of \$26. Hospitalization for employee and dependents. Surgical coverage for employee only. Increase in life insurance schedule from \$2,000 to maximum of \$4,000 after six years' service. Wage reopening any time during term of agreement upon 10 days' notice. Five-year contract. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Lee Rubber & Tire Corporation..... Conshohocken, Pa.	WE	4-6-50	n.a.	Retirement pension of \$100 month, including Social Security, for employees age 65 with 25 years' service. Also, \$1,000 life insurance, \$1,000 accidental death and dismemberment policy; \$25 weekly sick benefits for maximum of 13 weeks; \$200 maximum surgical benefits; also hospitalization coverage. Five-year contract. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
<i>tone, Clay, and Glass Products</i>				
Libbey-Owen-Ford Glass Co..... Toledo, O.	WE	n.a.	n.a.	Company-paid group life insurance of \$1,500; company-paid health and accident policy of \$26 per week up to 26 weeks; company contributions towards the cost of hospitalization and surgical benefits. Wage reopening 5-1-51. (UAW, CIO)
Trenton Potteries Co..... Trenton, N. J.	WE	n.a.	n.a.	Pension and welfare plan granted. (Nat'l Bro. of Operative Potters, AFL)
<i>iscellaneous</i>				
Consolidated Freightways, Inc..... Portland, Ore.	WE	9-19-49	125	Two weeks' vacation after 3 instead of 5 years' service. Wage reopening 9-19-50. (Office Employees Int'l Union, AFL)
Corn Products Refining Company..... Argo, Ill.	WE	n.a.	n.a.	Six paid holidays—double time if worked. Three weeks' vacation after 20 years' service. Increased group life insurance—minimum policy \$2,000—maximum \$3,500. Pension policy supplemental agreement pays 35% of previous 5 years' earnings after 15 years of service if unable to work or reach 65 years of age. Includes Social Security. Wage reopening on 30 days' written notice. (Oil Workers Int'l Union, CIO)
The Ensign-Bickford Co..... Simsbury, Conn.	WE	4-20-50	269	New disability insurance program. Wage reopening any time on 15 days' notice. (Textile Workers, CIO)
Robert Gair Company..... New York, N. Y.	WE	n.a.	n.a.	Two-year contract. Three weeks' vacation after 15 years. Company-paid insurance. Reduction of employee contributions to retirement plan. Wage reopening between 3-1-51 and 4-1-51. (Pulp, Sulphite & Paper Mill Workers, AFL; Int'l Bro. of Paper Makers, AFL)
*General Fireproofing Co..... Youngstown, O.	WE	6-50	3,600	Employees with 25 years' service will receive a minimum pension of \$100 month. Those with less than 25 years will receive from \$60 upward. (United Steelworkers, CIO)
*Monroe Steel Castings Co..... Monroe, Mich.	WE	6-50	220 approx.	Savings plan—7¢ hour per worker set aside by company. Cumulative total to be paid by company second pay-roll period in December. (UAW, CIO)

C—No Change in Wage Structure

Company	Type of Worker ¹	No Change		Remarks
		Date Effective	Number Affected	
Davison Chemical Corp.....	WE	n.a.	n.a.	Contract automatically renewed to 8-1-51. (Int'l Longshoremen's & Warehousemen's, CIO) Five cents added to maximum and minimum of rate ranges. Wage reopened after 6-4-51. (United Electrical, Radio, and Machine Workers)
New Orleans Division				
A. O. Smith Corporation.....	WE	6-5-50	113	
Los Angeles, Cal.				

¹Type of worker: WE, wage earner; S, salaried employee.
*Obtained from press reports—information not verified.
n.a. Not available.

NATALIE E. FRIEDMAN
Statistical Division

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In the Record

The Military Leave Problem

For the assistance of company executives who may still be in the throes of writing their military-leave policies, the Board has prepared a check list covering essential items that should be dealt with. Also to lend a helping hand, the text of three companies' military-leave policies is printed in full. The article starts on page 324.

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Pioneers into the Future

A decade hence, what will the field of industrial relations look like? How will management manage—what changes will have been made, what new techniques employed? No one has any sure answers, of course, but there are indications of the direction in which we may be moving—and Douglas McGregor, president of Antioch College, examines these new patterns in a challenging article starting on the next page. Individual companies and some of our social scientists, through actual trial-and-error experimentation, are coming up with more and more data to substantiate their beliefs. They are getting results. But they warn that it is no easy path. Most emphatically, you don't graft a few new personnel policies onto the old setup, nor do you tack on a new department here or there. The change has to go much deeper. It has to affect basic attitudes and perception.

Whether one agrees with this look into the future, or finds much to argue with, executives will want to be informed on these important developments.

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How It Works Today

One aspect of *avant garde* thinking in industrial relations as it functions in the world today might be illustrated in the question and answer columns in employee publications. Questions are asked by employees; answers are given by management—in a frank and direct way. Companies are finding this an important means of communication as well as a help in solving a variety of other problems. Just how six different companies have handled these columns and what their experience has been with them is detailed in the story, "Telling Them What They Want To Know," starting on page 330.

And in another area of employee relations: Esso Standard Oil watched a long procession of companies drive into the economic education service stations and say "fill 'er up."

But before joining the lengthening queues, Esso decided to do some investigating and see what, if any, type of economic fuel was needed. In this line, the company printed a summary of its findings in a booklet entitled "How To Improve Economic Understanding." Full text appears on page 334.

• • •

Casting the Labor Board

The successes and failures left by World War II's National War Labor Board cannot be overlooked if mobilization plans of the country necessitate the organization of new labor boards to stabilize wages and to settle labor-management disputes.

The tripartite setup utilized by the WLB, in which labor, industry and the public were represented equally, has serious drawbacks as well as great advantages. Whether an all-public-member board would be preferable is largely a matter of individual evaluation. Since, however, labor and industry usually take opposite positions on disputed issues, the critical decisions, under the tripartite as well as the all-public setup, are made by the public members.

A detailed discussion of the pros and cons of tripartitism will be found on page 327.

• • •

Upward Thrust in HCL Loses Momentum

A surprising but welcome development was the unexpectedly small rise in consumers' prices in August. The Board's ten-city index for cost of living items, which was computed after the *Record's* deadline, advanced less than half of 1%, and it is expected that all fifty-four cities will show substantially the same picture. Underlying this smaller-than-anticipated rise was the subsidence in scare buying and hoarding, particularly in food. The article beginning on page 347 reviews the cost of living picture through July 15 and gives a special analysis of prices of groceries in New York, Chicago and Los Angeles from February through July, to determine what food items are largely responsible for current high prices.

The Board's compilation of labor-management contract settlements from July 15 to August 15 (see page 351) just about closes out the pre-Korean pattern of nickel-an-hour adjustments that prevailed up until the very recent period, which will be summarized next month. July payroll statistics are given in the story on page 344.

Changing Patterns in Human Relations¹

By Douglas McGregor, President, Antioch College

IN SPITE of the many serious and baffling problems of human relations which confront industry today, we are making steady, if slow, progress. Most of us are in the midst of the trees where we cannot see the changing character of the forest, or the terrain which lies beyond it.

Perhaps the best way to gain perspective in any complex field is to look at what is happening on the frontiers. There are always a few intrepid pioneers who have ventured out beyond known and safe territory. In the field of industrial relations, some of these pioneers are the managements of individual firms who have followed their convictions into trial and error experimentation; some are social scientists seeking new knowledge and understanding. I propose to attempt a rash thing today: to interpret in broad terms what these pioneers are discovering, to sketch the major characteristics of the landscape they are exploring. I may be mistaken in my interpretations; I may paint scenery that isn't there. Nevertheless, I believe the attempt is worth while. If I am reasonably successful, you may, through the haze of my imperfect understanding, catch a glimpse of the land into which we may be moving a decade hence.

Let me try, then, to describe briefly some of the characteristics of practice, policy and attitude which to me are especially significant of the modern pioneers in industrial and business management. Then let me try to indicate some implications of the research being carried on by the pioneers in the social sciences who are working in this field. These are the portents of changing patterns in human relations.

* * *

First, the management pioneers have recognized that the job of personnel administration is the responsibility of *line management*—from the president to the assistant foreman. Moreover, they accept it as a major responsibility, in fact as *the* major responsibility of management. They have staff personnel departments in their companies, but they do not assume that the existence of such departments frees them of this responsibility. They recognize that the objectives of management must be achieved through people, that the decisions of management—even when they relate exclusively to plant, or equipment, or finance—must be carried out by people.

Many textbooks describe the industrial enterprise in terms of a list of "elements": money, land, plant,

¹A talk before the Management Clinic of the Society for the Advancement of Management, Cleveland, Ohio, May 17, 1950.

equipment, process, materials, market, and people. They define the task of management as that of relating these elements of enterprise. The pioneers, on the other hand, view the industrial enterprise as an organization of people, and management's task as that of organizing, integrating, motivating, supervising the activities of people in such a way that goods or services are produced and sold at a profit. The distinction may appear to be subtle, but it is profoundly significant. The pioneers have discovered that the job of management is that of personnel administration exclusively. Management does not *do*; it gets others to do.

A corollary to this generalization is that the job of the personnel department is to provide expert advice and help to line management in the line's performance of its task of personnel administration. The staff department may administer a limited number of functions directly, but it is becoming clear that the administrative functions of staff departments must indeed be limited in scope and number. A good illustration is employment. Among progressive companies today, the employment department does not itself actually employ anyone. Its function is to recruit and screen applicants who are then hired or rejected by the immediate line supervisors. Even the process of induction—traditionally a personnel department function—is truly effective only when it is directly administered by the line.

ASSUME RESPONSIBILITY

Along with the pioneers' recognition and increasing acceptance of line responsibility for personnel administration has come the dawn of another significant insight. Management generally has resented the rapid increase in recent years of governmental restrictions and limitation on its freedom of action. Many of these have been directly connected with personnel administration. The insight is this: governmental intervention in such matters is due to public pressure, which in turn is a direct (although often delayed) consequence of management's own failure to assume a necessary responsibility. The only way to reverse the current trend is for managements to assume such responsibility individually and widely. For example, within a few years, the older people in this country are going to be extremely powerful politically simply because of their number. It is inevitable that unless management singly and collectively faces the consequences of its widespread refusal to hire people

forty and over, and solves the problem, there will be legislative actions which will further restrict management's freedom to employ whom it will. This is how much legislation as the child labor laws, workmen's compensation, wage and hour legislation, the Wagner Act, and the Social Security Act have come into existence.

A few of the pioneers are beginning to recognize the implication of this phenomenon: that the only alternative to increasing centralized governmental control lies in the acceptance of a high order of responsibility for human relations and human welfare at the level of the individual company. The problem is immense because its solution requires changes in attitude and action among virtually all industrial and business management. Nevertheless, bemoaning the loss of free enterprise won't help—nor will defensive resistance to the current trend. We can have free private enterprise only if we are willing to pay the price for it. That price is a degree of responsibility among managements generally which until recently has been accepted only by a handful of companies in the country. As in all aspects of living in society everywhere, the price of freedom from central control is personal responsibility.

CREATE THE CONDITIONS

The pioneers in management have acquired some social and psychological insights which affect their policies and practices materially. They recognize that neither fear nor gratitude is an effective motivational principle. They attempt neither to force people nor bribe them to direct their efforts toward the objective of a profitable enterprise. They know that fear, because it is frustrating, leads inevitably to aggressive reactions: restriction of output, featherbedding, destructive contract clauses, militant and hostile unionism, and other more subtle consequences which tend to defeat the organizational objective. They know that paternalism undermines self-respect, encourages dependence, creates expectations which cannot possibly be fulfilled, and leads first to gross inefficiency, and finally to revolt.

They no longer conceive management's task to be to make people passive and compliant, to bend them to management's will by threat or by bribery. Instead they conceive this task to be to create conditions which will generate active and willing collaboration among all members of the organization—conditions which will lead people to *want* to direct their efforts toward the objective of the enterprise. They are aware, of course, that this principle is difficult to apply in practice. Nevertheless, some of them are applying it successfully.

It is interesting that this problem [of getting employee collaboration] is identical with the problem we face in attempting to reverse the trend toward cen-

tralized government control of private enterprise. Just as we require a high level of management responsibility to solve the latter problem, we require a high level of employee responsibility to solve the former. In both instances we require greater understanding, more self-discipline, more consciousness of the needs of others, more willingness to take the long view. The two problems have more in common than is ordinarily recognized.

ENERGY TOWARD WHAT?

A related psychological insight of the pioneers in management is that willing collaboration occurs only when work itself is genuinely satisfying. People are not naturally lazy. The expenditure of human energy in activity is a natural phenomenon. *People often expend more energy in attempting to defeat management's objectives than they would in achieving them.* The important question is not how to get people to expend energy, but how to get them to expend it in one direction rather than another. For management, the answer lies in creating conditions such that efforts directed toward the objectives of the enterprise yield genuine satisfaction of important human needs.

In the process of developing modern methods of industrial production, we have unwittingly made work a form of punishment for the majority of industrial employees. This is true for many members of lower and middle management also. In the name of efficiency, we have progressively decreased the skill required, the opportunities for the exercise of judgment and creative imagination, the dignity and the meaningful character of work, until there is virtually nothing left but muscular effort which could be effectively performed by machines. In fact, we are beginning to talk of automatic factories.

The pioneers are deliberately seeking to reverse this trend. They are aware that human beings—even uneducated workers—have capacities which, if effectively utilized, will put the automatic factory in the shade. They are discovering that when these capacities are utilized, there is a striking shift in the direction of employee effort. People become genuinely involved in the achievement of the organizational objective. Many of management's most troublesome human problems disappear as if by magic.

Strongly motivated human beings—because they can adjust to circumstances which escape detection by the finest electronic equipment, because they have creative capacities and ingenuity which cannot be built into machines—can accomplish amazing things, overcome unbelievable obstacles. The pioneers in management have begun to include these considerations in their definition of efficiency, and to realize that the more narrowly conceived *technical* efficiency may defeat rather than achieve their objectives.

(Continued on page 366)

Writing a Military Leave Policy

THE first reaction of most companies to the armed forces' demand for additional manpower was, "Who are we likely to lose?"¹ The current problem is "What are we going to do for employees who go into service?"

A large number of companies have not as yet put a complete and final military-leave policy into effect. Some are taking their World War II policies out of mothballs.² Others are estimating the potential effects of the current military situation and writing a completely new policy. Some of these policies are tending to be a little more conservative than their predecessors, at least until a clearer picture emerges of the company's eventual manpower losses.

Following is a check list for the guidance of those company executives whose military-leave policy is still in the writing stages. The recently announced policies of three large corporations are also reproduced.

JOHN J. SPEED

Division of Personnel Administration

Policy Definitions

- ☐ Are any time limits placed on the leave of absence?
- ☐ Does the policy cover probationary as well as permanent employees?
- ☐ Does the policy cover volunteers as well as those drafted or recalled?
- ☐ Does the policy cover employees going into such activities as the Merchant Marine, allied armed forces, and civilian war relief services?
- ☐ Does the policy apply to employees "drafted" for civilian government jobs?
- ☐ In what respects, if any, shall the policy differ as between hourly and salaried employees?

Military Bonus

- ☐ Shall extra compensation be paid to employees?
- ☐ In what amounts?
- ☐ Shall the bonus be uniform, or graduated according to length of service or number of dependents?
- ☐ Should executives receive preferential treatment? To what extent?

¹An article on one company's manpower survey appeared in the August, 1950, *Management Record*, pp. 294-295.

²Military and civilian leave policies adopted by companies during World War II are contained in THE CONFERENCE BOARD's *Studies in Personnel Policy*, No. 44, "Company Policies Regarding Military and Civilian War Service," 1942 (out of print); *Studies in Personnel Policy*, No. 52, "Company Policies on Military Service and War Jobs," 1943 (out of print); and *Studies in Personnel Policy*, No. 61, "Trends in Company Pension Plans," 1944, pp. 21-22.

- ☐ Shall definite proof of induction be required before bonus is paid?
- ☐ If the bonus is computed in terms of an employee's weekly or monthly pay, should a definition of the pay be included? Where employee is working extended overtime, shall bonus be based on 40 hour week or average weekly hours?
- ☐ Shall the bonus for incentive workers be computed on base pay only, or on average earnings?
- ☐ Shall the bonus be paid on a single lump-sum basis, or on an installment basis?
- ☐ What deductions shall be made from the bonus?

Dependents' Allowances

- ☐ Shall the company provide supplemental allowances employees' dependents?
- ☐ In what amounts?
- ☐ Shall the amount be graduated according to length of service and/or number of dependents?
- ☐ Shall any time limits be placed on the payment of the allowances?
- ☐ Shall any top limit on these payments be specified?
- ☐ Shall the dependents' allowances be based on a difference between military pay and company pay? If so, how do you define military pay and company pay? And how do you keep up to date on changes in an employee's military earnings?
- ☐ How do you define a dependent?

Group Life Insurance

- ☐ Shall the group policy be canceled or continued?
- ☐ If canceled:
 - ☐ How soon after the employee leaves the company is it canceled?
 - ☐ Shall the company contribute toward NSLI premiums? How much? For how long?
- ☐ If continued in effect during employee's absence:
 - ☐ What proportion of the premiums shall the company pay? For how long?
 - ☐ Can employee have option of continuing his payments? How?

Group Hospital Insurance or Blue Cross

- ☐ Shall the group policy be canceled or continued?
- ☐ Where the policy covers employees' dependents, shall the plan be continued? What proportion of the cost of dependency coverage shall the company pay? For how long?

Group Surgical Insurance or Blue Shield

- ☐ Shall the employee's dependents be continued under the plan? What proportion of the cost shall the company pay? For how long?

Pensions

- ☐ What shall be the employee's status under the pension plan?

plan during his absence? Shall he continue to participate or are his rights under the plan suspended or terminated?

If the plan is of the contributory group annuity type:

- ☐ Shall the employee's contributions be continued?
- ☐ Shall the company make up his contributions while he is in service? If so, shall provision be made for employee repayment when he returns?

If the plan is on a noncontributory, trustee basis, shall the time spent in military service be counted as time worked for purposes of computing length of service, or is the time excluded?

Profit Sharing

Shall the employee on military leave continue to participate in the profit-sharing plan?

If the plan provides for cash distributions, how are payments made to the employee? How often?

War-Created Job Vacancies

Will employees moving into these jobs be notified that such jobs are of a temporary nature?

If employees filling war-vacated jobs are themselves inducted, are they told that someone else has priority on that job?

Vacation Pay

Shall employees eligible for vacation pay receive it upon going into service?

- ☐ Shall employees who are not completely eligible for vacation pay receive some type of prorated vacation payments for vacation credits already "earned"?
- ☐ Will employee upon his return have to meet same vacation eligibility requirements as regular employees?

Reemployment Rights

- ☐ Shall the policy contain any provision regarding reemployment beyond that guaranteed by law, *i.e.*, that the employee will be restored to a job with seniority, status, and pay as nearly like that which he would have enjoyed had he remained on the job?

Miscellaneous Items

- ☐ Preinduction physicals and draft registration—Shall the necessary time off be granted with or without pay?
- ☐ Long service awards—Shall employee receive any awards if his anniversary date occurs while in service?
- ☐ Discount privileges—Shall dependents continue to enjoy these?
- ☐ Reemployment bonus—Shall any lump sum payment be made to returning employees?
- ☐ Keeping in touch with employees during absence—Shall gifts, plant publications, annual report, letters be mailed to servicemen?
- ☐ Deferment procedure—What shall be the company's policy and method for handling deferments?
- ☐ Christmas or annual bonuses—Shall departing employee receive some prorated share?

Sample Policies

McCormick & Company, Inc. Baltimore, Maryland

The policies stated below with reference to military leave and re-employment rights are subject to revision as federal laws and regulations and changed circumstances under conditions of national emergency may require.

While these are effective as stated, therefore, as of July 25, 1950, the company reserves the right to change any of these policies at any time. Revisions in selective service legislation, or application of government controls with the effect of freezing prices, profits, wages, or benefits would make changes in these policies necessary.

However, any reduction in benefits as stated below shall apply only to future increments and shall not affect any amount credited to an individual as of the date of the change in policy. For example, elimination of policy 1.2 on accumulated vacation pay two years hence would stop the provision as of that date but would not affect the right of an employee on military leave to accumulated vacation pay for the two-year period preceding the date of change of policy.

These policies will be discussed with each employee leaving for military service, and any subsequent changes will be communicated in writing to employees on military leave for their immediate information.

1. Any employee, other than temporary, forced to enter the service of the United States armed forces, after all steps permitted to the company by government regulations to seek deferments have been taken, shall receive the following rights and benefits provided such service is the result of:

- a) draft, or
- b) enlistment when subject to draft within ninety days, or
- c) call to active duty from reserve status.

Such rights and benefits shall terminate if (1) he stays in service longer than required by the draft, enlistment term in lieu of draft, or compulsory service term required of an officer called back to duty; or (2) he does not apply for his old job within ninety days after date of release from training and service or from hospitalization continuing after release for a

period of no more than one year; or (3) does not submit proof or certificate of satisfactory completion of service.

All the following rights and benefits (paragraphs 1.1 to 1.6 inclusive) shall be computed on the basis of a forty-hour week at the rate of pay in effect upon his entry into the armed forces.

Military Leave Policies

1.1 Military Separation Pay

One week's pay if employed by the company from over six months to one year.

Two weeks' pay if employed by the company from over one year to three years.

Three weeks' pay if employed by the company over three years.

1.2 Vacation Pay

Vacation pay shall be earned as though still on our payroll; such pay shall be accumulated and paid on return to work.

1.3 Retirement Income Trust

If already a participant in the trust, he shall continue to share in contributions to the trust fund.

If not already a participant in the retirement income trust, his service in the armed forces shall count as service on the McCormick payroll for purposes of accumulating service eligibility for participation in the trust; and he will share in contributions to the trust while he remains in active military service after he has become eligible.

1.4 Pension Plan

If already a participant in the pension plan, contributions shall continue while in service as though he were still on the payroll.

If the employee becomes eligible while in service, he shall become a participant in the plan on his return to work; and the company will purchase annuities for the years for which he became eligible during his military service, on November 30 following his return to active employment.

1.5 Employee Dividends

Every employee in service shall be eligible for these dividends if and when given, as though he were still on the company payroll. These sums shall be set aside and paid to the employee on his return to work.

1.6 Group Life Insurance (Metropolitan Life Insurance Company)

If already covered by the company's Metropoli-

tan Life Insurance group policy, the employee insurance shall be continued and the entire premium will be paid by McCormick & Company. If not already covered by the McCormick & Company group life insurance plan, he shall be immediately eligible on return to his job with McCormick & Company.

1.7 Sickness Benefits (Employees' Beneficial Association of the House of McCormick)

The right to receive sickness benefit payment shall be suspended when an employee leaves the service of the company to enter the armed forces of the United States.

The period of time for which benefits will be payable, upon the employee's return to his job with McCormick & Company, shall be computed as though his employment had been continued.

1.8 Group Hospital Insurance (Maryland Hospital Service)

If already a subscriber to Blue Cross under the McCormick & Company group, he may continue his membership while in service as an "individual membership," being billed quarterly from his home.

If an employee discontinues his Blue Cross coverage while in service, he may reinstate membership on return to work.

1.9 Re-employment (As set forth in the Selective Service Act of 1948)

1.91 The returned serviceman shall have the right to former job or one of like seniority status, and pay.

1.92 Time in service shall be counted as uninterrupted service with company.

1.93 The returned serviceman shall not be discharged from his job without cause for one year.

1.94 If returned serviceman cannot perform former job because of a service-incurred disability, he shall be given a job he can do (one is available) that will give him the nearest possible similarity in seniority, status, and pay.

1.95 If two returned servicemen claim the same job, the person who left first shall have priority. The others will have to be rehired in other jobs.

All the foregoing benefits from paragraphs 1.1 through 1.95 inclusive are subject to the provisions and limitations of paragraph 1.

2. Voluntary Enlistments

Re-employment rights as set forth in paragraphs 1.1 through 1.95 shall also apply to any employee who, while the Selective Service Act of 1948 is in effect, enlists in the armed forces.

(Continued on page 358)

Labor Boards—Tripartite or All-Public?

mobilization requires the government to impose controls on wages and collective bargaining, should tripartite or all-public-member labor boards do the job?

In World War II, the tripartite setup was utilized. The job of keeping wages stabilized and of preventing labor disputes from interrupting war production was assigned to the National War Labor Board on which labor, industry and the public were equally represented. As a result of the work of the WLB and its subsidiary regional boards and commissions, which were likewise organized on a tripartite basis, there is plenty of material on which to evaluate the pros and cons of tripartitism. Were one to list the advantages and disadvantages of an all-public-member board, it could be found that the advantages of tripartitism are largely the disadvantages of all-public, and vice versa.

ADVANTAGES OF TRIPARTITISM

The major advantages of tripartitism, based on the experience of the War Labor Board, are described below.

Acceptability of Decisions

When wages are controlled and government direction is substituted for free collective bargaining, resentment against government restraints reaches a high pitch. In this land where people really believe that "he governs best who governs least," the surest way to secure acceptance of control is to have labor and industry participate in the controlling.

This is particularly true if wage stabilization is to work. Dexter M. Keezer,¹ who served as a public member on the WLB, has written:

"Since the labor members consistently voted for wage increases, no matter how completely they conflicted with the wage stabilization program, it may seem ridiculous to contend that their participation was essential to the success of a board administering the wage stabilization program. If, however, organized labor had not had a share in the administration of the program and hence no responsibility for it, there might well have been no program at all. In the interest of getting more pay immediately, which many organized workers unquestionably could have done, the leaders of organized labor might well have decided to try to do away with the wage stabilization program and take their chances on the runaway inflation against which the program was designed to guard. And they might well have succeeded, too. Con-

¹Dexter M. Keezer, "Observations on the Operations of the National War Labor Board," *American Economic Review*, June, 1946, p. 242.

sequently, labor membership on the board was probably a *sine qua non* of any wage stabilization program at all, and a public benefaction as such."

Compliance with Orders

Likewise, the labor and industry members can perform a real service when a war labor agency is confronted with noncompliance. Thus, the industry members of the late War Labor Board bitterly opposed the imposition of union security on Montgomery Ward; but they supported the seizure sanctions when Montgomery Ward defied the majority decision which they opposed. In a similar vein, John L. Lewis had ardent labor support from the WLB labor members in wage cases before the board. But that did not stop these same labor members from roundly condemning his wartime strike tactics.

Soundness of Decisions

"The more decisions that I make, the more bad dreams I get. I feel certain that my awards are fair, logical, and apparently sound. But I know that they can be all of that and wrong too."

So stated one public arbitrator. The viewpoints of labor and industry representatives give the public members an opportunity to find out what one WLB official called "the inmost positions of both sides and of all the forces which are playing upon their representatives. . . ."

Often the War Labor Board was forced to decide important cases on the basis of briefs alone. Information secured through labor and industry representatives not only shed light on the real basis of the dispute (e.g., the dispute might be over seniority, but the real issue might be fear of postwar layoffs), but also provided the background so that the decision could be couched in language that did not change its substance, yet increased its acceptability. In this way, cooperation was secured from labor and industry and crises were avoided.

Tripartitism and Collective Bargaining

The tripartite setup also softens the blow which results from the virtual elimination of collective bargaining under a controlled economy. Whatever type of control does exist, once it is instituted collective bargaining is a casualty. The union and company can only bargain within the confines of such policies.

If, for example, it is the policy of the board to

¹"The Termination Report of the National War Labor Board," Government Printing Office, Washington, D. C., 1948, Volume 1 p. XXXVI.

grant one week's vacation after one year and two weeks after five years, there is not much to bargain about when it comes to vacations. Added to this fact is the continued and overwhelming temptation on the part of both union leaders and industrial relations executives consciously or subconsciously to assume, "What's the use—the War Labor Board will settle it anyway. Why bargain about it?"

And so it is that, however much a national agency like the War Labor Board protests, it soon gets inundated with cases ranging in importance from the wage scale of the United States Steel Corporation to whether or not two trade magazines in New York City should pay the same severance pay as *The New York Times*.

However, something akin to collective bargaining arises. For, as Prof. Edwin E. Witte, a former public member of the WLB, pointed out:

"It was a common occurrence in important cases that representatives of both parties to a dispute were in the labor and industry rooms and were consulted by the labor and industry members while the board was considering and deciding these cases. Not infrequently the public members asked the labor and industry members to try out proposed settlements on the parties."¹

This results in the labor and industry members of the tripartite board acting as both advocates and judges. For after arguing the case with all the ability at their command, they pass judgment on these arguments. And this, of course, usually leads the public members to make the critical decision. But in so doing, the public has had the benefit of industry and labor arguments at first hand.

DISADVANTAGES OF TRIPARTITISM

The record also reveals situations which highlight the principal disadvantages of tripartitism.

Compromise vs. Decision Making

Deciding a case on its merits according to stabilization principles is not always aided by the tripartite setup. Pressure is frequently exerted by industry and labor representatives for a compromise. For example, a union might agree to waive maintenance of membership and accept instead a wage increase. In peacetime, an agreement like this, based on give and take, would be considered wholesome.

The War Labor Board, however, had to consider whether the wage increase was allowable under stabilization principles and, if it were not, then it had to veto the arrangement.

In such a situation, the labor and industry members were likely to be urged strongly by the union and company involved to approve the deal, and occasionally they did, outvoting the public.

¹Edwin E. Witte, "Wartime Handling of Labor Disputes," *Harvard Business Review*, Winter, 1947, p. 178.

Likewise, the public members found the pressure very strong in such instances, particularly if labor and industry both joined in applying it. The temptation to permit deals arrived at by free collective bargaining was very great. To do so, however, would be to invite more violations of wage stabilization. The tripartite setup invites compromise, but wage stabilization requires decisions on principles. The National War Labor Board never resolved the dilemma.

Denting Stabilization

The belief that wage stabilization was aided by tripartite setup has its opponents as well as its proponents. For example, the chairman of the national WLB felt that "it would be wise to rest responsibility for wage stabilization in public members."

¹For an interesting discussion of the conflict between the two functions, i.e., maintenance of labor peace and stabilization of wages, see Joseph Shister, "The National War Labor Board: Significance," *Journal of Political Economy*, March, 1945, pp. 37-40.

Pros and Cons of Tripartitism

Advantages

- Decisions are likely to be more acceptable to industry and labor when representatives of both participate in the decision making. This is most important in wage stabilization.
- Compliance with unpopular decisions without drastic enforcement measures is more easily secured with a tripartite setup.
- Industry and labor participation in decision making lends a realistic flavor to decisions and tends to avoid awards which, although theoretically logical and fair, are actually inapplicable to a particular situation.
- The tripartite setup has a less destructive effect on collective bargaining than other methods of control.

Disadvantages

- Under a tripartite setup, the public members are under constant pressure to mediate differences between the labor and industry members rather than to decide cases on the standards set by law.
- During World War II, the wage stabilization program was jeopardized on occasions when industry and labor joined forces to outvote the public members and to grant wage adjustments which the public members felt were contrary to stabilization principles.
- The tripartite setup hinders efficient administration because it is difficult to secure a three-way agreement on administrative details without long discussion and because of the pressure from each side to obtain staff appointments that each regards as sympathetic.
- Under a tripartite board, serious questions arise as to the representative character of the members.

only."¹ This belief probably resulted, at least in part, from the fact that labor and industry could and did outvote the public in wage stabilization cases. Although this did not occur often, it did occur in enough significant cases to endanger the stabilization program.²

Administration and Personnel

When the chairmen of the thirteen regional war labor boards were asked about the contributions of the tripartite setup to administration, nearly all agreed with the chairman of the eighth region, who dealt with admirable restraint: "As far as administering the board's affairs with efficiency and dispatch . . . I am of the opinion that the tripartite structure . . . served no particular purpose."³ The chairman of the eleventh region was more direct: "The [tripartite] system . . . does not contribute to administrative efficiency and dispatch. . . ."⁴

What the regional chairmen objected to most was the pressure to which staff members were subjected in the bickering over procedural matters. To be sure, pressure and bickering are not absent from any governmental labor agency, but one who has not worked for a three-headed organization would find it difficult to understand the extent and intensity of the three-way pull and haul. Said one regional chairman:

"Both industry and labor brought pressure in the matter of appointments and it was frequently necessary to kow-tow to them to keep peace in the family. More often than not the pressure had nothing to do with the integrity and ability of the appointee."⁵

¹"Termination Report of the WLB," Volume I, p. 739.

²See, for example, the dissent by Dr. George Taylor in the St. Louis teamsters' case in which labor and industry granted a wage increase over the dissent of the public members, "Termination Report of WLB," Volume III, pp. 846-48.

³"Termination Report of WLB," Volume I, p. 711.

⁴*Ibid.*, p. 756.

⁵*Ibid.*, p. 756.

Sample of Dispute Cases Decided by the National War Labor Board, by Board Vote and Type of Issue Involved (July 1, 1944 to August 18, 1945)

Board Vote	Wage-rate Issues		"Fringe" Issues		Nonwage Issues	
	Number	Per cent	Number	Per cent	Number	Per cent
Total.....	84a	100.0	76a	100.0	140a	100.0
Labor voted with public members.....	36	42.9	34	44.7	99	70.7
Industry voted with public members.....	60	71.4	45	59.2	76	54.3
Labor and industry together voted against public members' position.....	2	2.4	...	...	...	...

Source: "Termination Report of WLB," Vol. I, p. 502.

^aThe total number of issues is smaller than the total of the issues on which labor and industry voted with the public members because unanimous votes were counted twice.

A second regional chairman made the following comment:

"The tripartite system in this region did not promote efficiency or speed the board's work from an administrative standpoint. Industry and labor demanded a voice in almost every matter that came up, outside as well as inside the board room. Sometimes it required weeks for the public members to obtain action upon appointees. At times such incidents figured in the backlog of the board's work, consuming time which could have been spent to better advantage on more important matters. . . ."

On the other hand, it is important to recognize that the elimination of the partisan members will not eliminate pressure nor will it insure administrative efficiency. If pressure does not exist within the agency, it will most certainly be exerted from without. Whether the conflicting pressures will better offset one another under a tripartite system or under a public-member type cannot be easily predicted. Most labor leaders appear to believe that their chances for hitting the mark are greater if they are in on the ground floor of a tripartite setup, but industry is apparently less united on the question.²

Getting Representative Board Members

A difficult problem under the tripartite system is insuring representative labor, industry and public members. During World War II, independent unions clamored loudly for a place on the War Labor Board, but were never given more than appointments on hearing panels. The WLB defended its refusals to permit participation of independent unions on a board level with AFL and CIO representatives on the grounds that a representative of an independent union could only speak for his particular union. Therefore, adding one or two independent unionists to the board would not increase its representative character. Should a new tripartite war labor agency be established, the independent union problem will be more severe, since both the International Association of Machinists and the United Mine Workers, large and powerful labor organizations, are now independent, whereas at the beginning of World War II they were affiliated with the AFL and CIO respectively.

On the industry side, there is perhaps less cohesion than in labor's ranks. There is, therefore, the problem of who shall appoint representatives of industry.

Moreover, when industry set out to fill its positions on the War Labor Board and its subsidiary bodies, a distinct shortage of experienced personnel developed.

(Continued on page 363)

¹*Ibid.*, pp. 741-742.

²For opinions expressed in union papers, see "Labor Press Highlights," *The Conference Board Management Record*, August, 1950, p. 306.

For an account of the discussion in industry circles, see *The New York Times*, August 6, 1950, p. 50.

Telling Them What They Want To Know

Direct Plan for Employee Communication

Question and Answer Column

THERE is current emphasis on the importance of communicating with workers. Telling them about the operation of the business and its economic environment is a means of obtaining employee interest and cooperation. But granted management's willingness to share information, how be sure employees are getting what they want to know? How guess at what is on their minds?

No need to guess. Let them ask, and provide answers to their specific questions. Which is exactly what a number of companies are doing through question and answer columns in their employee publications.

Questions are invited, with the promise that all will be answered. A regular department is set up in the employee magazine or newspaper, in which those questions that are of general interest and the replies are published. Sometimes the column appears over or under the signature of a single company executive, who assumes responsibility for all answers. Sometimes several executives answer the individual queries. In other instances, there is no signature. Answers are prepared by the magazine editor from information gathered from various sources. But in every case the replies are authoritative and have company backing.

ALL QUESTIONS ANSWERED

Queries that are not published are not tossed into the wastebasket. Some may seem trivial or they concern too small a group of employees to warrant allocation of space in the publication. But generally it is felt that if a question is important enough to be asked, it is important enough to be answered, and a reply is forthcoming through personal letter, interview or some other method.

Employees' questions need not be signed. Some companies prefer that they be anonymous. Submission of queries is encouraged through addressed cards or letters inserted in the publication, through provision of forms on which questions can be phrased, and boxes in which they can be dropped, or even through offering a monetary reward for queries of wide interest.

Experience with question and answer departments is comparatively short. Practically all those now being conducted have been started within the last five years—sufficient time, however, to arrive at conclusions regarding their worth. Attitude surveys have shown their popularity with employees. Executives say the columns are a very considerable help in

meeting grapevine rumors head on. Serious grievances can be avoided through injection of fact at early stage. Another advantage noted is that the communication is direct, enabling top management to reach the individual employee with no possibility of misinterpretation through intermediaries.

There are difficulties. It takes time, for instance, to answer the questions, and it has to be the time of individuals high enough in the organizational structure to speak for management. Moreover, it often takes courage to be frank. Unless there is willingness to answer all questions, those with experience say, the column is doomed. (An answer, however, may be an explanation of why certain information cannot be divulged at the moment.) A distinction has to be maintained between the answer column and what is popularly known as a "gripe box." And in answering questions, the executive has to be informal and friendly without talking down to the questioner—delicate achievement for even the professional writer.

PEPCONIAN "QUESTION BOX"

The Potomac Electric Power Company of Washington, D. C., was one of the first companies to start a question and answer column. Its Question Box was announced in November, 1946, and has appeared regularly in the employee magazine *Pepconian* since February, 1947. In recent months, it has appeared on the inside front cover and the first right-hand page of the publication.

In a box, it is explained that "every month Mr. Ferry [J. H. Ferry, executive vice-president of the company] will answer any question submitted by an employee. The question does not have to be signed but it must be of general interest to PEPCO employees and must not deal with a confidential matter."

A post card addressed to the editor is bound in each issue of the magazine. Text on this reads "Edit *Pepconian*. Dear Sir: Please ask Mr. Ferry to answer the following question in *Pepconian's* Question Box followed by several lines on which the question may be written. The employee sends this card through the company mail system."

The executive vice-president is final authority on all answers and signs the department. However, before the answers are prepared, questions are forwarded to the individual or individuals (usually department heads) who are most familiar with the particular

problems involved. These executives supply facts which the answers are based.

Generally speaking, all questions that fall within the stated prerequisites of being of general interest to all employees and not dealing with confidential matters are answered and published. As a matter of fact, a very liberal interpretation is placed on these restrictions, and a determined effort is made to answer every question received. An average of from four to six questions are received a month, although some months the number runs to as many as a dozen.

Wide Range Covered

Questions have covered the entire range of working conditions, benefit plans, hours of work, employment practices, recreation programs, grievance procedure, job specifications, etc., plus numerous miscellaneous matters.

The direct manner in which the replies are made typified by the following answer to a recent query:

Q. "Why must an employee be penalized by giving up both seniority and salary when transferring from one

division to another within a department? I believe it would be of great benefit to both the company and the employees to allow an employee a brief period to rotate among the divisions within his department and thereby gain some practical knowledge of all the functions of his department.

"The understanding of why and how different phases of the work are done would increase the interest and efficiency and produce an experienced employee.

"Example: Employee assigned as clerk be allowed to work with outside men for a period of one or two weeks in each of the field divisions within his department, and then return to his assigned division."

A. "The rules of seniority are included in the agreement between the company and the EUEU. For the most part, the type of seniority we have was desired and selected by the union, and because of that fact it could be assumed that it is satisfactory to most of the employees. I believe our seniority plan is a little broader than you think, however, as temporary assignments to other positions are permitted. Your example is one of these cases. Such assignments can be made if the department head believes they are advantageous to the operations of the department. Why not discuss it with him?"

Potomac Electric Power has found no positive means of determining the reaction or effectiveness of its answer column but, according to a representative of the personnel department, it is believed to be "tremendously effective and the most popular feature of the magazine." He continues:

"We have found the Question Box to be a valuable part of our personnel work in several respects. It gives each employee an opportunity to direct his question to an official of the company—an opportunity that frequently does not exist in large organizations. It tends, we think, to help each employee identify himself more closely with the upper level of the company through this direct approach. And it gives us an additional opportunity to discover areas in which personnel problems exist and which may call for constructive measures.

"As for pitfalls to be avoided, we have found none. A number of companies have asked us this question, presumably in fear of an unnamed bugaboo. In our experience, this fear is groundless.

"We make a specific effort to be factually correct in our answers, to prepare our answers so they are warm, friendly and straightforward in tone and, perhaps most important, to presume, if we possibly can, that every question is submitted in good faith."

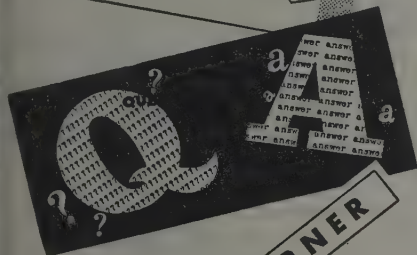
JONWAX "QUESTION CORNER"

The Question Corner of S. C. Johnson & Son, Inc., Racine, Wisconsin, is given the

QUESTION CORNER

The Question Box

For Your Information



ANSWER CORNER

Your Open Forum



center spread in the monthly *Jonwax Journal*. Here the magazine's editor selects the executive or other individual in the company who, he believes, is best qualified to answer a particular question and whose name attached to the question will gain the greatest respect. The editor, himself, answers some of the questions submitted. His replies appear without a signature.

Enclosed in each issue of the magazine is a yellow sheet of paper with the caption, "Here's My Question for the *Jonwax Journal* Question Corner." It folds into a business reply envelope addressed to the editor. A flap seals the envelope, and no postage is required. It is sent through the regular mails.

Originally, a business reply post card for questions was inserted in the magazine but, according to the editor, it was felt that the openness of this method, in which the question could be read by anyone who handled the card, was reducing the number of queries received. So after about six months, a switch was made to the business reply envelope. The envelopes are not opened until they reach the editor's desk.

Questions need not be signed, and all those of general interest are published in the magazine. Other questions, personal in nature, are answered by letter if the questioner signs his query. Such questions are invited, along with the others. Questions are answered regarding "the company, its products or policies." In the frank answers, there is no dodging of dollars-and-cents curiosity.

Q. "How much does the company contribute to operate the cafeteria each year?"

A. "In 1949 the company's contribution to operate our cafeterias was \$8,808, or an average of \$8.35 for each Johnson employee."

* * *

Q. "Why does management get a larger share of the bonus?"

A. "Because of the greater responsibility falling on management in organizing, training, planning and controlling operations in our business, it is fair that their standard percentages should increase in a greater proportion than workers rated lower than group or unit leaders. This was explained in my article 'Our Profit Sharing Plan' which was distributed in October of last year."

H. F. JOHNSON, *President*

Observe how a rumor is handled.

Q. "I understand that all merit rate increases have been suspended in view of the current economy drive, regardless of the quality of the individual's work. Is this true?"

A. "This is not true. Merit increases will continue to be given as deserved."

J. J. BABB, *Executive Vice-President*

In clarification of company practice:

Q. "What is the deadline for rest periods in the morn-

ing and afternoon? Can anyone save his fifteen minute rest period until the end of the morning or the end of the afternoon and leave for home fifteen minutes early?"

A. "The purpose of a fifteen minute rest period is to give each of us a few minutes to relax during the course of a busy day. It should be taken at the time approved by supervisors. However, supervisors should not permit anyone to save these fifteen minute intervals until the end of the morning or afternoon, as this would defeat the very purpose of having a rest period."

W. H. WILSON, *Personnel Director*

In a recent readership survey, the Question Corner shared first place with the company's quarterly profit sharing report. Eighty per cent of the employees who participated in the survey said they always read the question and answer department. Only 2% said they read it "seldom or never." The editor attributes the wide acceptance of the column, which has been conducted since August, 1947, to the frankness with which questions are answered. An attempt is made to obtain answers to all questions of general interest, no matter how reluctant executives may be to answer them.

KOPPERS "QUESTION AND ANSWER BOX"

Through a survey conducted by the Opinion Research Corporation in March, 1949, Koppers Company, Inc., sought to determine whether an answer column would be popular with its employees. Eighty-seven per cent of them said they thought such a column would be a good thing to have in the employee magazine and 48% said they would like to send in questions.

The Question and Answer Box was started in the *Koppers News* in April, 1949, and during the last year plenty of questions have been received to keep the feature going and interesting. For the first few months, cards which could be filled in were enclosed in the magazine. This, however, according to the editor of the magazine, was costly; and so many questions were received that there was considerable delay in answering some of them, due to lack of space.

Leaving the cards out of the magazine decreased the number of questions submitted, but they are still arriving at the rate of about six a month, which is sufficient for present requirements. Employees are asked to mail their inquiries to the magazine, the address being given in the column heading. Since the beginning of this year, the magazine has been on a bi-monthly basis. When a return is made to monthly publication, the editor plans to step up inquiries by use of posters and other additional promotion.

Questions need not be signed; the company prefers that they are not. If, however, a signature is attached, identity of the signer is kept strictly confidential by the *News* staff. Answers are written by the staff from information obtained from the individual in the com-

any who is an authority on the particular subject referred to in the question. Neither the column nor the individual replies in it are signed.

Every question received is answered. Those that are too personal to be printed in the magazine have been packed down and treated on a plant level, according to the editor of *Koppers News*. For instance, when there was criticism of the condition of a road leading to one of the small plants and the parking facilities, this was looked into by the plant manager and dismissed at the plant so that the men knew that something was being done about it.

The majority of questions answered in the column have concerned personnel problems—job evaluation, merit rating, educational requirements for advancement, etc. One of the most popular last year related to the purchase of company stock through the company. (Koppers has no plan of this sort at present.) Here is the answer to a question regarding securities:

Q. "What is the recommended procedure if an employee wishes to buy some Koppers stock?"

A. "An employee who wishes to purchase Koppers preferred or common stock may do so through any local stock broker or securities dealer if there is such an office in the town where the employee resides; or, he may make the purchase through his local bank where he is known. Either of these methods is recommended.

"There is no complicated procedure to follow in buying stock. The employee must be known or must establish his identity with the office where he wishes to place the order. In placing the order, he need state only the number of shares desired, the price at which he is willing to buy and the name in which the stock is to be registered. After the stock is bought, the purchaser will be sent an invoice or 'broker slip' describing the transaction and stating the purchase price and the date when payment is due."

The following query concerns company attitude toward federal fiscal policy:

Q. "Should the Koppers Company encourage employees to lend money to Uncle Sam via U. S. Savings Bonds while the national deficit grows bigger?"

A. "There is no mystery as to the reasons for the present record-breaking peacetime cost of government. The principal contributing factors are: A disordered world situation; costs of the past war; preparation for future war; desires of segments of the population for more social security and welfare programs; substantial aid to agriculture and expansion of public works. In the face of all this, the already burdensome tax structure is unable to supply sufficient dollars to carry on such a program. We hope, therefore, that the current deficit outlook is temporary and that these costs will decline to some semblance of reasonableness. In the meantime, the debt will be financed in one way or another.

"Koppers does not condone deficit financing. It does, however, encourage the purchase of U. S. Savings Bonds on a voluntary basis because it believes such bonds repre-

sent a safe and convenient medium through which employees can save for the future."

A more personal question is the following:

Q. "Why must we get paid every two weeks instead of every week?"

A. "It would, of course, cost almost twice as much to pay every week as to pay twice a month.

"When the company took a survey in July, 1949, approximately 70% of the people in the survey said they would like to be paid either every two weeks or twice a month."

ABBOTT'S "FOR YOUR INFORMATION"

Abbott Laboratories of Chicago uses monetary awards to stimulate contributions to its column, "For Your Information," in the *Pharmagraph*. A dollar is paid to each employee who submits a signed question, whether or not it is selected for publication. If a question is unsigned but seems to be of general interest, it is published along with the others.

James F. Stiles, Jr., vice-president and treasurer of the company, assumes responsibility for all answers. Before publication he refers his answers to a superintendent or other director so they will be fully aware of the replies when they appear in print. All questions that are not of general interest, and therefore not published, are answered through personal letters signed by Mr. Stiles. About half of the questions asked are of this nature.

Blanks for questions are available in special boxes which are scattered throughout the plant and office buildings. Inquiries are sent to the *Pharmagraph* office. An average of about ten questions are answered in each issue of the magazine, which is a monthly. Many of the queries concern the operation of employee benefit plans. For example:

Q. "Why won't the insurance company pay for more than one operation performed at the same time?"

A. "Because that is one of the restrictions of the policy. If, for example, a person is operated on for gall bladder, and a hernia is corrected or an appendix removed at the same time, the insurance company will pay one claim for the maximum allowed on any one of the operations. If we want to provide for any greater payment, the premium would, in all probabilities, be increased. If this coverage presents a problem to you or any other employee, if you will write me the details, I will be happy to investigate the case."

TIMKEN'S "OPEN FORUM"

The Open Forum page in the *Timken Trading Post*, employee magazine of the Timken Roller Bearing Company, was the outcome of a series of open forum meetings held in Canton and Columbus, Ohio, last year. The discussions between employees and the board of directors were broadcast over radio stations

(Continued on page 364)

Esso Examines Economic Education

A large number of companies are wrestling with the problem of whether or not to launch an economic education program for their rank-and-file employees. They have heard from some sources that these programs are doing a good job for both the employee and the company. From other sources they hear that the programs are poorly attended, poorly received and doing more harm than good. Certain programs, they are told, are really educational while others are undiluted propaganda.

Esso Standard Oil Company met the problem by conducting a wide investigation of its own needs for economic education and the type of program best suited to its needs. As a result, the company has recently started a series of meetings which will eventually reach all Esso employees in all of the company's locations.

The following is a reprint of an Esso pamphlet which summarizes the company's study.

E. W. E., Jr.

How To Improve Employee Economic Understanding

"The past several years have brought a new and active development in industry. A widespread effort has sprung up to educate employees in the field of economics. By diverse but strenuous means, many companies are trying to develop new champions for the free enterprise system. Spokesmen are stressing the urgency of economic education activities by business to aid in preservation of the American way of life.

"Developments in industry had reached the point by the start of 1950 where the management of this company requested a special study as to how we in Esso should be handling economic education. A three-month research study was undertaken which included a careful check on available literature and involved analyzing what some fifty-seven companies were doing. Opinions were also secured from a half dozen consultants and a number of eastern universities. Highlights from that study are presented in this discussion.

What Others Have Started Doing

"We see around us many companies which are doing things beyond our present scope of activity. We have

examined carefully what is being done. The subjects discussed fall generally into these three categories: free enterprise, basic economics, or plain facts and figures about business. These subjects are being disseminated through literature, house organs, meetings and frequently through fairly elaborate training courses.

"The programs on the free enterprise system are aimed at teaching the merits of the system in order to create supporters and defenders for the American way of life. Many who favor a less direct approach teach basic economics. But, they do so from a point of view that by teaching principles they hope the individual will, in turn, accept the free enterprise system as the best way to apply his individual principles.

"Other companies concentrate on explaining facts, mostly of a financial nature and often with respect to business as a whole. When they do talk about figures dealing with their own company, the efforts are restricted mainly to figures based on an annual report.

Typical Emphasis

"It is interesting to consider the emphasis used in these various approaches. Most of the programs are characterized as being in themselves a counterattack against radical thinking or against distortions which have appeared in union publications. There is much of the element of feeling that 'We're in a fight'.

"Elsewhere, prime emphasis has been along the lines that a man should appreciate the benefits he is receiving. Comparisons are made with how poorly he would fare in other industries or in other countries. Sometimes efforts are made to get him to appreciate the role of the stockholder, and the difficulties of the management.

"The emphasis in a few programs is purely on logic. It amounts to a presentation of facts on the soundness and propriety of business actions.

"By far, the majority of the companies have been content with presenting the story to the rank and file through the printed word. Their courses and direct approaches have been restricted to the supervisor.

"There is strong evidence that many of these programs resulted from heavy internal pressure to 'do something'.

How This Applies to Our Own Company

"After analyzing these efforts by others we have come to these conclusions. There seems to be no element of counterattack necessary in our activity. Nor is there any reason to crusade for any system (as such) or attempt to create feelings of appreci-

ation. To do so is ineffective—and inconsistent with our company's philosophy.

"A number of efforts have been made by others at education in the field of basic economics. The few attempts we have seen to measure the net gain have shown most disappointing results. We have concluded that it is too complex a field and that little would be gained by attempting formal courses in basic economics. However, there is support for a short course in financial management to aid top executives to understand the financial picture.

"We must be cautious of efforts based upon merely furnishing information. This is not enough. We are out to secure understanding and with it real benefits in attitude. Often what appears as a misconception is a vocalizing of a poor attitude. Correcting that misconception through facts will only mean that the poor attitude will be expressed in some other way.

What Is Our Responsibility

"There is considerable debate over the extent to which management should accept responsibility in this field of economic education. There are other agencies sharing the social responsibility. Yet many contend that these other agencies are inept and that management must assume the responsibility for influencing the political and social beliefs of its employees toward the defense of the American way of life.

"Past history shows that this company does not feel it is its responsibility to attempt to influence directly the political or social beliefs of its people. We hope the experience of our people under the free enterprise system, as practiced in this company, will be good. We hope this experience will aid their natural inclination to support the free enterprise system. However, we see no advantage in having the company accept a responsibility to crusade. Our job is to provide the proper type of internal communications. These communications should deal almost exclusively with information about the company.

The Problem Is a Normal Evolution

"The problem is more a normal evolution than a stirring up by radical elements. It has its origin in the isolation of the worker from the policy-making level of the company. Economic understanding is most difficult for the worker. We accept the responsibility that bigness requires that a company be particularly anxious to explain itself to its people.

"There is a successful approach. There must be a series of favorable impressions reaching the individual over a considerable period of time in order to affect the direction of his thinking.

"Also, in order to get his interest, it is absolutely essential to talk in the narrow point of view of 'What is the effect on the individual'. Too often we

have talked about things which management felt would be interesting. It is fundamental that anything we do must show in itself how the problem affects the man; then any action must undertake to develop his confidence in the way the company is handling the situation.

What Objective for Us

"Our prime goal is the efficient operation of the business. This is strongly influenced by morale. Morale, in turn, is the sum total of the attitudes of our people. We must then undertake to develop and maintain these favorable attitudes.

"These attitudes must be based upon something concrete. They are strongest if based upon confidence; confidence in the company and its actions, in its leaders, and in its policies.

"Confidence must have a foundation. We can't rely on faith alone, nor on past favorable experiences. Confidence to be a firm support must have as its foundation real understanding. We don't mean complete understanding of everything the company does. That is impractical. But, we do mean understanding of some of the more important business aspects close to the man. If we gain this, we'll get enough confidence to generate favorable attitudes when other matters come up which the man may not understand.

What Needs Exist Today

"Is there any problem at the moment? There is a national pattern of thinking which cannot be ignored. Much of it emphasizes the areas in which better understanding is needed. There is quite a high percentage of misconception on the following items: on wage topics, on distribution of earnings, on ability to pay, on the prosperity of business, on profits, and many other allied fields.

"In addition, there is disbelief. We see, for example, refusal to accept as fact the thought that any one operation of this company might be financially unsound. We have always been talking from consolidated balance sheets. Therefore, we must make progress in getting a better understanding of the local situation.

What Should We Be Doing

"Essentially we favor a 'low pressure' approach. Several recommendations for improvement in what we have been doing have come to light as a result of this study.

"First of all, the problem revolves around our internal communications. The responsibility for staff direction of this type of communication has, in itself, not been firmly fixed, particularly at the headquarters level. In addition to a better concept of where this responsibility lies, there is a definite need for a

company-wide coordination of our communication efforts.

"With respect to our house organs, a check has shown that we are using less than ten per cent of the space to inform our people on subjects having economic significance. That we need a policy covering the release of debatable information is evident. We also need to render service from the headquarters to give the house organs some of the types of materials most difficult for them to assemble locally.

"Certain improvements can be made in the field of company literature. At the moment, we are perhaps relying too much on material which has been directed at the public, rather than the employee audience. Also, we need to develop an effective (but voluntary) channel of distribution.

"In our employee courses, it is felt that the orientation program will need to be extended to more people. This is a highly organized approach for familiarizing people with the history, the structure, and the operations of the organization. It has been most successful and has already reached over 10,000 of Esso Standard's employees. It conveys some basic economic concepts.

"In the field of supervisor training there is an evident need for help to be rendered by a new course dealing with the techniques of communications. This is a natural evolution from previous courses in job instruction and job relations techniques. The supervisor needs the help which will come from case-study type discussion on how to deal with communications problems. This course will also give him help in perfecting the upward flow of communications from the employee to top management.

"The foreman conference programs in the refineries have proved an essential mechanism for communications. Much can be done to improve the content of the material handled in this medium. Development of the counterpart of this type of conference is needed in the home office. It may also be needed to some extent in sales operations. Perhaps we have relied too much in the past on the initiative of individual departments and have lacked a mechanism for presenting a uniform story quickly to our supervisory organization. Through this discussion medium, we must intensify our efforts to improve the supervisors' economic understanding.

Must We Talk Directly to Employees

"Can we rely on using the supervisor to relay much of this information? While we recognize his importance in the chain of communication, a real question comes up with respect to his responsibility and his effectiveness in the economic education of his employees. There is much he can do to influence attitudes and to create an understanding of day-to-day operations. However, when a substantial body of in-

formation must be conveyed, it is shortsighted to expect the supervisor to do it.

"At times, it must be confessed, the supervisor's thinking is not much different from that of the rank and file. He needs special consideration to improve his own economic understanding. However, the setting in which supervision must function is truly a human one; economic issues should be settled elsewhere.

"We can't rely entirely on the printed word. There is now, and there will be again in the future, a sufficient volume of information to be conveyed that will require going directly to the employee group. Thirty years ago, this company took the lead in creating the concept of foreman conferences. We now are at the point where we should create a new concept; that is, the idea of employee forums.

The Employee Forum Plan

"The concept of the employee forum, while yet to be fully developed, goes something like this. There should be meetings of small groups, approximately thirty-five persons. There should be well-conducted presentations. There should be ample opportunity for questions to satisfy the employee and to reveal how the employees are thinking. The small meeting atmosphere, plus the use of the best of training aids, would encourage real acceptance of the message.

"This is a relatively new, and certainly bold, approach. Our past experiences with employee meetings have mainly been the inspirational type of large gathering. We do see other companies which have been evolving certain types of well-run, fairly democratic meetings of their employees. Apparently, it is not a technique that only a small company can afford.

"There is a strong feeling by those who have studied this problem closely that the employee forum can and should become one of our most important devices for internal communication. How many forums we hold is not the important issue. They can be few and far between. *The main point is creating this mechanism for communication.*

Ideas for the First Employee Forum

"There are certain specific beliefs which need to be developed, fortified, or confirmed among our people (including supervisors). They can prove the base upon which understanding of the economics of our business can be built in the future. To develop these beliefs, some of the themes for the first employee forum should be as follows:

1. A fuller concept of the values in our benefit programs.
2. Conviction regarding the fairness of our whole wage program.
3. The concept that 'balance' must be maintained in order to have a healthy business.

4. The importance to the individual of the efficient operation of his unit in the company.

5. The significance to the individual of the prices we get for our products and the use we make of profits.

6. The many influences which have a bearing on the company and thereby the individual's opportunity, security, and growth within the company.

"Treating some of these themes will require well-conceived and simple, readily understood presentations. Some may question whether this is teaching economics. *Despite its label, it is felt that this approach will produce economic understanding.*

"Having felt that many other approaches are ineffective, one might well ask on what basis do we feel

that this approach will succeed. Admittedly, it is not the easiest way to tackle the problem. Yet it is based on a sound appeal. It is firmly rooted in an understanding of how our people think and react, plus conviction that this company's story is one which can be told with confidence in the results.

"The individual looks toward finding job satisfactions concerning such items as security, proper pay, opportunity, and confidence in the organization. We are not out to try to sell him anything. We are simply trying to keep him informed by explaining to him the things in which he has the greatest interest. *If done well, this type of explanation can become a most important factor in our efforts to develop and maintain favorable attitudes.*"

A President Says It Simply

Rudolf Flesch, the readability specialist, must have been looking over the shoulder of Norman Wilson, president of the Hammermill Paper Company, when the latter wrote the introduction to his company's new handbook for employees. Short words, common words, homey, friendly words put together to make a message which rings true.

The manual, "You at Hammermill," incidentally, is illustrated with amusing line drawings by Don Herold, the cartoonist. The style of the text is breezy, attention getting and attention holding. Here are a few words from Hammermill's president, which sets the tone of the whole handbook:

"I hope you will have as long and pleasant a career as I've had at Hammermill.

"I started as a mill boy and mill hand in 1901.

"More than a third of Hammermill men and women have been here twenty years or more.

"We want *you* to like it well enough to stay here a long time. And I realize it's largely up to us to see that you do like it here.

"Our motives in this are not entirely unselfish. If you leave, it costs us money to train somebody new to take your place.

"And one reason we have an excellent reputation for making fine paper is that we have developed good teamwork here. You can't make fine paper with a team that is changing all the time.

"So you see why we want to make this an attractive place for you to work . . . a place in which you'll feel that you have a good, steady, well-paying job—a job with a good future, a job with security, a job with plenty of chances for advancement and promotion.

"This handbook is for you. It's your book—a sort of guide book to your job at Hammermill.

"You'll notice that we have put a brief history of the company in the back of the book.

"You'll probably get a kick out of knowing that you are working for a company that goes back to 1898—and one that has been the most active advertiser in the paper industry for more than a third of a century—with the result that today Hammermill is the best-known name in paper. This is important to you because it means a steady, almost world-wide market for our products, and, therefore, steadier, more secure jobs for everybody who works here.

"I mentioned teamwork—and that means we have to have a few 'rules of the game.' You'll find some of these in this booklet. We'd rather have team spirit than a lot of regulations, though.

"I can remember when I knew almost everybody here by his or her first name. But we're a family of 2,000 now. This book must take the place of the personal visit which I would like to have with you as you start on your new job.

"Your supervisor or the people in the personnel division are always ready to listen to your ideas . . . about Hammermill, your job, and your personal problems. Don't hesitate to call on them for their helpfulness.

"We'll always be glad to talk about anything we can do to add to your satisfaction in working at Hammermill.

NORMAN W. WILSON"

Management Book Shelf

Speaking Can Be Easy . . . for Engineers, Too—A pocket size, illustrated booklet highlighting a practical approach to better public speaking and to better meetings. Of interest to non-engineers as well. *Distributed by Engineers' Council for Professional Development, 39 West 39th Street, New York, N. Y., 24 pp., 50 cents.*

Racket Labor Papers

RACKETEERS operating phony labor papers are mulcting employers out of thousands of dollars throughout the country. That is the picture presented by both AFL and CIO union leaders.

The racket labor papers fall into two general classes. The first operates with telephone salesmen who high pressure employers into sending a \$100 check. That is the last the employer ever hears of them. He never sees his ad, as the racketeers don't even have a paper.

The second type of labor press racketeer actually does publish a paper. And his paper does publish the employer's ad. But no union ever sees a cent of the money from the advertisements. It all goes into the pockets of the man who operates the fake labor paper. These operators solicit mostly by telephone. They give a glib line about taking ads to further labor-management cooperation, or to fight communism. Under this smooth line is a veiled threat of labor trouble unless the ad is forthcoming. A single issue of such a "labor paper" may contain fifty to a hundred labor-management-cooperation ads and all at exorbitant rates.

According to *The CIO News*,¹ one of the most successful racket labor papers operated out of Akron, Ohio and Chicago. It bore the misleading title of *The United Labor Front*. Before being exposed as a fraud, this outfit took employers for half a million dollars.

Another fake labor paper operated in Los Angeles under the title, *Police and Public Employees Labor News*. The CIO says that this paper "unloaded" a million dollars worth of ads in its twelve-month stay. *Printers' Ink*, a bible in the advertising field, estimates that the "take" of labor press racketeers is \$100 million a year.²

UNIONS WARN OF FAKE LABOR PAPERS

Legitimate labor papers do not use high-pressure tactics to secure ads. Most of them do not accept ads in their periodicals. Those that do run ads aim them at members of the trade. Ads for books on maritime subjects, for example, are run in the AFL Masters, Mates and Pilots' monthly magazine; earth-moving equipment ads appear in the publication of the AFL International Union of Operating Engineers; ink company ads in the monthly journal of the CIO Amalgamated Lithographers.

¹*The CIO News*, August 7, 1950, p. 11.

²*Printers' Ink*, May 12, 1950, p. 31.

Both the AFL and CIO have warned against fake labor papers. On this score, CIO President Philip Murray says:

"The CIO has taken steps to protect itself from racketeers who pose as advertising solicitors and collect money under false pretenses in the name of the CIO. In seeking to protect the good name of the CIO, we are also seeking to prevent businessmen from being victimized by unscrupulous people."

And at the AFL's last convention, the federation's executive council reported:

"Members of the executive council have become increasingly distressed by numerous complaints that have been received regarding unethical advertising and soliciting practices by certain publications which are not part of the bona fide labor press but masquerade as such. The executive council wishes to state emphatically that no publication which uses high-pressure advertising soliciting or which seeks to intimidate prospective advertisers should have the support of labor."

STEPS TO TAKE

Here are steps that employers can take when approached by solicitors for ads in labor papers:

- Check the name of the publication with the list given in "Labor Press in the United States" in the December, 1948, *Management Record*. This gives the publication, name of union, address, name of editor and subscription price of all weekly and monthly publications of AFL and CIO national unions, plus the major independent unions. (Very few legitimate labor publications even accept ads from employers.)

- If the ad salesman purports to speak for a local publication of AFL unions, write to:

Bernard Tassler
Managing Editor
American Federationist
AFL Building
Washington, D. C.

The AFL executive committee has officially labeled some papers as fake labor papers and has warned the public against them. But there are many new dodges arising every month. A letter to Mr. Tassler will enable him to check the publication's status with the local AFL state or city officials and report on it.

¹*The CIO News*, August 7, 1950, p. 11.

²Report of the Executive Council, Proceedings of the Sixty-eighth Convention of the American Federation of Labor, October 3-10, 1949, p. 258.

• If the ad takers purport to speak for a CIO publication, write to:

Allan L. Swim
Editor
The CIO News
718 Jackson Place
Washington 6, D. C.

He will likewise secure and check the facts.

• Check with the local Better Business Bureau office. It is constantly exposing fake labor papers.
• Don't pay any money to strangers purporting to speak for some union. Demand a letter from them. If they are not legitimate, this forms the basis of a mail fraud charge; the chances are you will never hear from them.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Trends in Labor Relations

GM, Chrysler Spark New Wage Boosts

The first reaction to the GM five-cent cost of living wage boost came from Chrysler. It granted a "voluntary" wage boost of 10 cents to hourly rated employees; 15 cents to skilled tool, die, maintenance and powerhouse employees; and 7% for all salaried employees, with \$17.50 a month the minimum salary boost.

The Chrysler action in turn set off a chain reaction that has spread throughout the auto industry. Wage boosts are being given despite the fact that existing agreements do not call for them. In rapid-fire succession these supplementary wage boosts were announced:

- Briggs Manufacturing Company—38,000 hourly workers got an additional 5 cents an hour (UAW-CIO got 5 cents in the last contract); 3,000 salaried workers got 7%.

- The Budd Company—9,000 hourly workers got additional 5 cents an hour (UAW-CIO secured 5 cents on July 3); 3,000 skilled workers got an additional 10 cents an hour.

- Hudson Motor Car Company—20,000 hourly workers got 7 cents an hour in addition to the 3 cents an hour UAW-CIO secured in its recent agreement; skilled workers got 10 cents.

- Midland Steel Products Company—3,000 hourly workers got 10 cents an hour; skilled workers got 15 cents.

- Motors Products Corporation—4,000 hourly workers got 10 cents an hour.

- Ainsworth Manufacturing Corporation—1,400 workers got 10 cents an hour.

The GM influence on the auto industry's wage pattern was confirmed when Ford and UAW-CIO officials announced on Labor Day that they were scrapping their year-old contract and signing a new GM-type agreement. Under the new contract, Ford granted its 110,000 hourly rated employees an 8-cent an hour increase, and its skilled workers 13 cents, as of September 1. The new contract has a GM-type

escalator clause (one cent for each 1.14 change in the cost of living index), and GM's 4-cent annual improvement each June 1, until its expiration on June 1, 1955.

These events far overshadowed the wage settlements that were in the making up to the Chrysler announcement. The picture of wage settlements from July 15 to August 15 as recorded in the table on page 351 shows:

Management and union negotiators agreed to wage boosts in 100, or 87.7%, of the 114 settlements recorded. The other fourteen negotiations (12.3%) resulted in contracts granting increased fringe benefits only. There were no wage decreases reported. This carries out a trend noted for the first half of 1950, in which more than two out of three negotiations resulted in wage boosts.¹ It is in marked contrast to the 1949 pattern in which almost one half the contracts were settled without wage increases.²

Five cents was the most frequent wage boost. This amount resulted from thirty-eight of the 100 wage settlements. Next in order of frequency are: 2.6 to 4.9 cents, twenty-two contracts; 5.1 to 7.9 cents, twelve contracts; 8 to 10.9 cents, ten contracts; 11 cents and over, six contracts; 2.5 cents and under, three contracts. A flat percentage increase was agreed to in nine negotiations: eight were for 5% (mostly in the paper industry) and one was for 3%.

Union Shop with Yearly Escape

As a result of the GM modified union-shop formula, renewed interest is evidenced in compromise forms of union security. The GM formula is simply maintenance of membership for old employees and a union shop with a ten-day escape period after one year for new employees. A compromise clause that goes one step further appears in an agreement signed by the Argonne (atomic energy) National Laboratories and

¹"1950 Wage Negotiations—The First Half," *The Management Record*, August, 1950, p. 296.

²"What Happened in 1949 Wage Negotiations," *Studies in Personnel Policy*, No. 105.

the International Association of Machinists, ind. It provides the standard union-shop arrangement except that for a two-week period each year an employee may withdraw from membership. This clause reads as follows:

Union Shop—All employees shall, within thirty days after the date of execution of this agreement, or within thirty days following the beginning of their employment, whichever is the later, become members of the union and shall thereafter during the life of this agreement remain members of the union and in default thereof shall, upon the written request of the union, be terminated by the laboratory; provided, however, that the laboratory shall not be required to terminate or discriminate against any employees for nonmembership in the union if such membership is not made available to the employee on the same terms and conditions generally applicable to other members or if membership is denied to the employee or terminated for reasons other than failure of the employee to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

Withdrawal Period—The union and the laboratory agree that, notwithstanding the provisions of Section 4.1, any employee shall have the right to withdraw from union membership by giving written notification to the union by registered mail, with a copy by registered mail to the laboratory, postmarked between the fourteenth day of May and the twenty-seventh day of May in the year 1951 and in any subsequent year of the life of this agreement. Such withdrawal from union membership shall take effect as of the following June fourth.

Union Membership—The union agrees that it will not deny membership to, nor in any way practice discrimination against, any employee because of race, creed, color or national origin, nor require of employees, as a condition of becoming or remaining a member of the union, the payment of any fee which is excessive or discriminatory. The union agrees that the initiation fee for new members shall not exceed fifty dollars. The union further agrees that employees shall discharge their duties impartially and without regard to union or nonunion affiliation of any person not in the bargaining unit and failure to do so shall constitute sufficient cause for disciplinary action.

Five-by-Five Contracts

The GM-UAW contract set the style for long-term contracts which are coming in thick and fast.¹ By far the longest is an agreement between an East Coast company and an independent union that runs for five years and then automatically renews itself for successive five-year periods. This five-by-five clause reads as follows:

¹“Except as otherwise provided herein, this agreement is effective August 1, 1950, and will continue in effect

¹For recent GM-type long-term contracts, see “1950 Wage Negotiations—The First Half,” August, 1950, *Management Record*, p. 269; and page 339, this issue.

for five years ending July 31, 1955, and thereafter for successive periods of five years, unless terminated by either party by serving a written notice upon the other party of the proposed termination sixty days prior to the expiration of the original term hereof or any renewal thereof, in which event this agreement will terminate on the 31st of July following the service of such notice, unless prior to such date it is extended by mutual agreement.”

Guards' Duties in Time of Strike

One answer to questions on the duties of unionized guards in time of strike is provided by a southern firm's agreement with an independent guards' union. The clause reads:

“In case of a strike by another union involving one or more departments of the company it is agreed by the union that the guards will continue to perform their regular duties provided that they are not required, or allowed, to act as strikebreakers.”

How Much Do Grievances Cost?

“What is the cost to the company of processing a grievance?” asked the supervisors of an east coast firm: “That is, the complete cost—from the time the employee discusses it with his foreman, through the grievance procedure, and through arbitration.”

The company's officials pointed out that each grievance requires a different length of time and has a different cost. But to give their foremen some idea of cost, they set down the following estimate of the time consumed and money spent in a lengthy grievance recently carried through to arbitration:

Grievance Steps	Man-hours
1st —Foreman-steward-employee.....	80
2nd—Day foreman-area grievance committee.	
3rd—Personnel director-union president and witnesses.....	
4th—Meeting: 7 company representatives—5 union representatives.....	20
The union's international representative and witnesses.....	15
5th—Investigation and arbitration—six company representatives.....	75
Clerical time.....	60
Total man-hours.....	250
Costs	
Man-hours paid (250 hours x arbitrary \$2 per hour)	\$500
Arbitrator's services.....	85
	\$585

The company pointed out, however, that a grievance is not all cost if it results in a better understanding and better relations thereafter for similar situations. “The theory of the grievance procedure,” stated

the company officials, "is that there is value returned to the parties which offsets the cost of solving the problems. The rub is that not all of our grievances are covered by this generalization."

Keeping Union Contracts Up to Date

To save time and money, Interwoven Stocking Company has the union contract amendments printed on a page the same size as the contract booklet. These amendment pages are inserted in the back of the booklet. Related sections of the contract are marked with

the letter "A" to put the reader on notice that the particular section has been amended or modified.

A company executive says that "by the use of these printed amendments we save the expense of reprinting the booklet every year even though we are generally confronted with changes as a result of our annual negotiation with the union." He added that the agreement is usually reprinted after three years to consolidate the amendments that have been adopted since the last complete printing.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Trends in Employee Benefit Plans

"30% Rule" for Pension Plans Abolished

The "30% rule" has been rescinded by the Commissioner of Internal Revenue. To qualify as a bona fide pension or profit-sharing plan, and thus to entitle the employer to tax reductions for his contributions, the plan must comply with federal law and regulations. To prevent discrimination in favor of highly compensated employees, the Commissioner of Internal Revenue has issued a number of regulations, among them IT 3674. This rule provided that if more than 30% of the employer's contributions to a pension or profit-sharing plan went to employees who individually owned more than 10% of the voting stock, the plan would not qualify for tax deductions.

This regulation IT 3674 was ruled upon unfavorably by the United States Tax Court. The Commissioner has therefore revoked the regulation, but warns that a pension or profit-sharing plan must comply with the nondiscrimination features of the Internal Revenue Code and other regulations to qualify.

Putting the Bond Drive in Full Gear

War bond drives are returning to the scene. Botany Mills, Incorporated, is intensifying its efforts to persuade employees to purchase United States Savings Bonds in view of the present emergency. Through posters, letters sent to the employees' homes, and personal solicitation workers are urged to increase their subscriptions or to become subscribers for the first time.

Annual Cost of Pensions Over \$67 Million

The General Motors Corporation has estimated that it cost the corporation \$67,790,000 annually to provide pensions to its hourly and salaried employees. Of this amount, approximately \$21 million is attribut-

able to past service which is amortized over a thirty-year period. The two pension plans, one for hourly rated employees and the other for salaried employees, will be submitted to the corporation's stockholders for approval on September 27, 1950. The plan is non-contributory, except for salaried employees earning base compensation of \$250 or more a month. Those employees may elect to join a supplemental plan and contribute 5% of salary above \$250 a month for a maximum period of thirty years.

Bringing the Pension Plan Down to Earth

Individuals are most interested in pension plans when they know what the plan means to them personally. An increasing number of companies are providing personal statements to employees to give them exact statistics regarding their standing under the various plans. One variation of this method is to publish in the employee magazine how much the employee would receive under certain circumstances. The International Harvester Company in its magazine *Today* has used this method in an interesting manner. It gives pictures of several employees, their names, where they work, occupations, and age, and on a graph below each picture shows how much pension that employee will receive and how much it will cost him and the company.

Hospital Benefits Preferred

The Detroit Edison Company has been canvassing its employees on their likes and dislikes regarding improved hospitalization and sickness benefits. Of the employees answering the questionnaire, 79% want better hospital benefits, 58% are willing to drop the sickness insurance, 52% want to use the sickness insurance money to get better hospitalization cover-

age, 37% want to keep the sickness insurance while 16% are satisfied with the present plan and voted against any change.

Five Cents for Pensions

The New York Shipping Association has negotiated a pension clause with the International Longshoremen's Association, AFL, which provides for employer contributions of five cents per man-hour to a pension fund. The employer's association and the union will develop the details of the plan through a joint committee. The agreement runs five years.

Expanded Social Security Act

The liberalized Social Security bill has been signed by President Truman. About ten million additional individuals will be brought within the scope of the amended act. Increased retirement benefits will be provided for present and future pensioners. For those

workers who qualify, the new formula is 50% of the first \$100 of average monthly income, plus 15% of the next \$200. The increment for years of participation provided under the previous formula is abolished. The maximum pension allowable to a worker and his dependents is 80% of his average monthly wage, or \$150 a month, whichever is less. The maximum primary benefit will be \$80 a month.

\$17 Million for Fringes

Consolidated Edison System Companies of New York City, in its latest annual statement for its employees and their families, points out that in 1949 it spent over \$17 million in employee benefits. The benefits for which the largest amounts were spent are: pensions, \$4,188,266; group insurance, \$1,086,817; sick pay, \$1,850,320; mutual aid, \$913,604; vacations, \$5,590,579, and holidays, \$2,652,074.

F. BEATRICE BROWER

Division of Personnel Administration

Labor Press Highlights:

Labor Turns To Getting Out the Vote

GET Out the Vote" . . . "The Bigger the Vote, the Better for Labor" . . . "Wanted: 10 Million Lost Voters." These headlines in the labor press keynote a stepped-up labor campaign to get members to the polls in November. The labor papers emphasize three points in making this intensified effort:

- Because of voter indifference, says the *UIU Journal* (Upholsterers' International Union, AFL), Senators Claude Pepper (D., Florida) and Frank Graham (D., N.C.) have been defeated in the primaries. To this list, *The CIO News* adds the names of Thomas (D., Okla.), Gurney (R., S.D.) and Taylor (D., Idaho).

- A recent poll by Elmo Roper is cited by the *UIU Journal* to show that "Democrat voters—workers and farmers—are stay-at-homes on election day." The Roper figures, as quoted by the *Journal*, show that among laborers, seven out of ten failed to vote at least once in the last four years, whereas among professionals, three out of ten failed to vote at least once in the last four years.

- Statistics presented by Louis H. Bean in his book "The Mid-Term Battle" are used by *The Advance* (Amalgamated Clothing Workers, CIO) and other labor papers to show that about ten million voters stay away from the polls in off-presidential-election

years. "Most of these lost voters," says *Advance*, "if they register and vote, will vote for labor's candidates."

Accordingly, the AFL through its Labor's League for Political Education has instructed each local to register every member and his family so that they can vote on November 7. As reported in *The Paper Maker* (International Brotherhood of Paper Makers, AFL), the LLPE also wants an intensified campaign for voluntary contributions.

And the CIO, through *The CIO News*, published the voting record of the 81st Congress, showing whether the congressmen voted "right" or "wrong" according to CIO standards on thirteen Senate and twelve House bills.¹

Three of labor's chief targets, Senators Taft (R., Ohio), Capehart (R., Ind.), and Millikin (R., Col.) voted "right" by CIO standards only once—on the Ellender amendment to the minimum wage law. Senator Donnell (R., Mo.), another key labor target, is shown as having voted "right" three times from the CIO point of view—on the Ellender amendment, the rent-control bill, and the Kerr gas bill.

¹For the CIO's appraisal of the voting records in the first session of the 81st Congress, see "Labor Press Highlights," *The Management Record*, February, 1950, p. 70.

AFL Policy on Controls

AFL's Secretary-Treasurer George Meany has outlined policy on mobilization and economic controls which as reported in *The Union Leader* (Street, Railway and Bus Employees, AFL) stresses three points:

(1) The AFL will not press for a price roll-back because it doesn't work; it's futile.

(2) If there is to be at any time a wage-price freeze, when wages should go up automatically by the same percentage as the price increase since June 25, 1950, when the Korean war began.

(3) The only way by which the cost of all-out defense of our country can be equitably shared by all is to enact an excess-profits tax in addition to the other taxes.

Concerning a no-strike pledge, Mr. Meany stated, "Of course we will give a no-strike pledge—when the time comes."

On Dealing With Communists

Top officers of the UAW-CIO, through letters to their locals, have warned UAW members that "they must not participate in unlawful acts such as walking alleged Communist Party members out of the plant," reports *The Flint Weekly Review* (UAW-CIO, Flint, Michigan). The letter told members not to fall into the trap of using Communist tactics: "The constitution of our union offers democratic means for dealing with members of our union who are guilty of conduct detrimental to the best interest of the union."

Along another line, AFL units in New Jersey have been alerted by the New Jersey State Federation of Labor to be on guard against espionage, sabotage, and subversive activities by Communists, according to a report in the *AFL Weekly News Service*. And establishment of AFL labor schools to train union members in detecting Communists has been proposed by the president of the Alabama State Federation of Labor. As reported in *The Union Leader*, the suggestion calls for the FBI to aid in the course.

Teamsters Eye Vending Machine Field

Automatic merchandising through vending machines is one of the Teamsters' best bets for organization possibilities, states an article in *The International Teamster* (Teamsters, AFL). The article says factors making vending machines an important stake for the Teamsters are: (1) automatic merchandising is becoming a major method of selling and is growing fast, and (2) someone has to service the machines, especially those in the food and drink field.

Increases Sought by Rubber Workers

The CIO Rubber Workers' economic demands upon the Big Four, as reported in *The United Rubber Worker*, include: (1) a general wage hike of 25 cents an hour, (2) a 6-cent increase to correct area and plant differentials, and (3) a further general boost that will depend upon the Bureau of Labor Statistics' Consumers' Price Index. Locals will be

discouraged from entering into long-term contracts, according to the report. The *Rubber Worker* also states that the union will assist its locals outside the Big Four to gain prompt wage reopenings, and it will intensify efforts to secure more union shops.

Retail Clerks Oppose A&P Antitrust Suit

A resolution opposing the government's trust suit against the Great Atlantic and Pacific Tea Company has been sent to President Truman and Attorney-General McGrath by the Retail Clerks International Union, AFL, reports the *St. Louis Union Labor Advocate* (AFL, St. Louis). The resolution adopted by the union's executive board stated: "Services rendered to the public, not mere size, is the true measure of the value of a business concern. A&P has especially sought to give union members the best wages, conditions and job security extant in the retail trade."

CIO Textile Workers Seek Pay Raises in South

Southern locals of the Textile Workers Union of America, CIO, will soon meet to form a new wage policy, according to a report in *Textile Labor*. A notice sent by Textile Workers' President Emil Rieve, stated that action will be taken as a result of the Korean situation. He said the sharp general rise in consumers' prices and the rise in prices, demand and profits in the textile industry justify the union's action.

Machinists Set Up Organizing Fund

A special fund is being set up by the International Association of Machinists to aid in organizing the automotive sales and service industry, reports *The Machinist*. The fund will be maintained by a per capita tax of one cent per month per member.

Two New Journals—Right and Left

Two new labor monthlies were published during the past two months. In July, *Free Labour World* made its first appearance. It is the monthly journal of the anti-Communist International Confederation of the Free Trade Unions to which both the AFL and CIO belong. Featured articles included: "Full Employment: A Fundamental Trade Union Objective," "Democratic Trade Unions of Japan Achieve Unity," and "Workers Education in the United States of America."

The other, *March of Labor*, was issued in August. Its articles are written and edited by leaders of pro-Communist unions in the United States. Feature articles included: "Take the Offensive for Peace," "The Gang-Up Against UE," and "Struggle or Surrender." In a "Statement of Principles," *March of Labor's* editor says "peace is the main issue before the American labor movement." On political action, the left-wing organ says: "Labor must engage in independent political action leading towards the creation of a new people's party led by labor."

HAROLD STIEGLITZ

Division of Personnel Administration

No Further Rise in Work Week

THE Korean invasion had little immediate effect on payroll statistics and production levels in manufacturing plants. Factory working hours in July, for example, showed no change from the June average in all industries combined. Among the individual durable goods industries surveyed by the Bureau of Labor Statistics, there was, actually, a greater incidence of decreases. The greatest of these—0.9 hour—was recorded in primary metal plants. Powerful counteraction came from the ordnance industry, however. Its average work week had remained relatively stable in the second quarter of 1950 but between June and July it moved from 40.7 to 42.4 hours. This was the highest number of hours recorded among the hard goods classifications during this latest survey month.

HOURS UP IN NONDURABLES

The upward course taken by working hours in nondurable goods industries somewhat reflects the play of seasonal factors—food and textiles both show this influence.

Working hours in July, although no different from the preceding month's level, showed a general rise from the July, 1949, average—from 38.8 to 40.4 hours. Not since the end of 1948 had the forty-hour mark

been exceeded, and not since March, 1948, had the average work week gone as high as 40.4 hours.

This recent extension of the work week has of course been accompanied by increased overtime payments. These, together with wage-rate adjustments, served to advance hourly earnings to a new peak in July. The over-all average came to \$1.461, a gain of 0.7 cent over the month and 5.3 cents over the year. Since January, 1950, production workers' hourly returns have moved to new highs each successive month, thereby topping World War II's record high by a sizable amount. As of July, 1950, the difference had grown to 41.5 cents.

Practically nine out of ten manufacturing industries reported a rise in earnings between June and July. The greatest increases prevailed among the nondurable goods groupings, however. Apparel and petroleum workers' hourly earnings, for example, climbed 2.8 cents and 2.3 cents, respectively, while the average for the aggregate moved from \$1.365 to \$1.378.

PRODUCTION RECEDES SLIGHTLY

Hourly gains among stone, clay and glass workers exceeded those reported by any of the other durable goods industries. The major impetus came from wage

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, July, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	July 1950p	June 1950	July 1949	July 1950p	June 1950	July 1949	July 1950p	June 1950	July 1949
ALL MANUFACTURING	59.02	58.74	54.63	40.4	40.4	38.8	1.461	1.454	1.408
Durable goods.....	62.50	62.94	57.31	40.9	41.3	38.8	1.528	1.524	1.477
Electrical machinery.....	58.43	58.62	56.00	40.1	40.4	38.7	1.457	1.451	1.447
Fabricated metal products (exc. ord., mach. and trans. equip.)..	62.69	62.68	57.61	41.3	41.4	39.3	1.518	1.514	1.466
Furniture and fixtures.....	52.16	52.29	47.86	41.2	41.7	38.6	1.266	1.254	1.240
Instruments and related products.....	59.72	59.33	54.37	41.1	41.0	39.0	1.453	1.447	1.394
Lumber and wood products (except furniture).....	56.07	56.50	50.75	40.9	41.7	39.4	1.371	1.355	1.288
Machinery (except electrical).....	65.94	65.69	59.67	41.5	41.5	39.0	1.589	1.583	1.530
Ordnance and accessories.....	64.32	61.70	59.64	42.4	40.7	40.3	1.517	1.516	1.480
Primary metal industries.....	64.84	66.75	58.63	39.9	40.8	36.9	1.625	1.636	1.589
Stone, clay, and glass products.....	58.47	58.02	52.94	40.8	41.0	38.7	1.433	1.415	1.368
Transportation equipment.....	71.80	72.49	66.27	41.5	41.9	39.9	1.730	1.730	1.661
Nondurable goods.....	54.84	53.92	51.55	39.8	39.5	38.7	1.378	1.365	1.332
Apparel and other finished textile products.....	43.06	41.81	41.03	36.0	35.8	35.4	1.196	1.168	1.159
Chemicals and allied products.....	62.61	62.32	59.44	41.0	41.3	40.6	1.527	1.509	1.464
Food and kindred products.....	57.27	56.14	54.69	42.2	41.8	42.2	1.357	1.343	1.296
Leather and leather products.....	45.36	43.87	41.74	38.6	37.4	37.0	1.175	1.173	1.128
Paper and allied products.....	60.77	60.08	55.57	43.1	43.1	41.1	1.410	1.394	1.352
Printing, publishing, and allied industries.....	72.68	72.83	70.45	38.6	38.7	38.6	1.883	1.882	1.825
Products of petroleum and coal.....	76.09	74.42	73.59	41.4	41.0	40.7	1.838	1.815	1.808
Rubber products.....	n.a.	64.31	58.37	n.a.	41.2	38.4	n.a.	1.561	1.520
Textile-mill products.....	47.24	46.79	43.26	39.2	38.8	36.6	1.205	1.206	1.182
Tobacco manufactures.....	42.84	41.63	38.19	38.8	38.3	37.4	1.104	1.087	1.021

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

pPreliminary

n.a. Not available

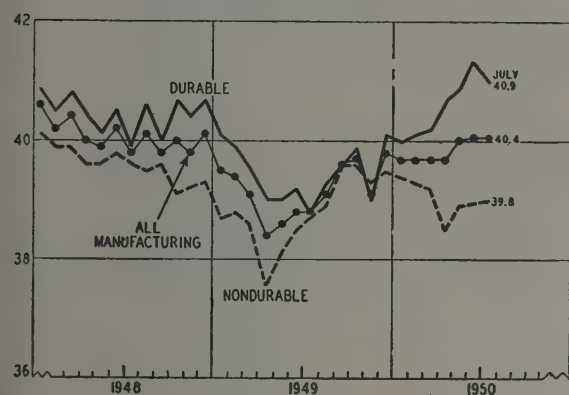
Table 2: Production-Worker Employment in Manufacturing Industries, July, 1950

Industry Group ¹	Employment (In Thousands)			
	July, 1950 ^p	June, 1950	May, 1950	July, 1949
ALL MANUFACTURING.....	12,106	12,073	11,840	11,211
Durable goods.....	6,614	6,602	6,452	5,894
Electrical machinery.....	626	615	605	505
Fabricated metal products (exc. ord., mach. and trans. equip.).....	767	768	742	671
Furniture and fixtures.....	302	302	302	253
Instruments and related products.....	182	181	176	170
Lumber and wood products (except furniture).....	764	751	723	676
Machinery (except electrical).....	1,033	1,033	1,022	939
Ordinance and accessories.....	19.0	18.9	18.6	19.3
Primary metal industries.....	1,053	1,050	1,025	934
Stone, clay, and glass products.....	438	440	431	400
Transportation equipment.....	1,077	1,077	1,046	1,014
Nondurable goods.....	5,492	5,471	5,388	5,317
Apparel and other finished textile products.....	973	975	978	942
Chemicals and allied products.....	477	483	485	453
Food and kindred products.....	1,195	1,142	1,090	1,224
Leather and leather products.....	353	342	335	342
Paper and allied products.....	397	398	392	365
Printing, publishing, and allied industries.....	498	500	498	485
Products of petroleum and coal.....	182	182	177	189
Rubber products.....	200	199	194	177
Textile-mill products.....	1,144	1,175	1,163	1,058
Tobacco manufactures.....	73	75	76	82

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^pPreliminary

Average Weekly Hours of Production Workers in Manufacturing Industries



Source: Bureau of Labor Statistics

rate increases since industrial activity, working hours and accompanying overtime payments in the industry all receded over the month. The production index in all manufacturing, as well, showed a drop from the June measure. But its level nevertheless indicates that over a broader period the volume of manufacturing activity has increased. From July, 1949, to this past July, the index has climbed 22.6%.

Weekly returns in July also exceeded all previous earnings' levels. Particularly active in this move was the soft goods group which, as a result of lengthened working hours and generally higher hourly earnings, reported an over-all increase of almost \$1.

The nation's manufacturing plants once again re-

ported more production workers on the payrolls. The latest increase of 0.3% between June and July was the sixth consecutive rise recorded in the series. It was in direct contrast to the sharp drop of 126,000 workers which took place during the corresponding period last year.

During the latest survey month, net accessions amounted to 33,000 production workers. About two thirds of these additional workers entered the ranks of soft goods industries—particularly in the food group, because of seasonal demands being made on canning and preserving establishments. A smaller yet substantial employment rise was noted in leather plants. This rise in conjunction with longer working hours indicates the heightening of business activity. The one outstanding decline to take place from June to July appeared in textiles, particularly as a result of a seasonal lull in knitting mills.

MORE QUILTS REPORTED

Labor turnover rates in July reflected the concurrent expansion of activity in the nation's industrial plants. The quit and layoff rates were particularly indicative of the heightened demand for industrial workers. While seventeen out of 1,000 workers voluntarily left their jobs in June, nineteen out of 1,000 left them in July. This is the fifth consecutive monthly increase reported in the series. The number of layoffs, however, has decreased in recent months, and in July dropped to a four-year low of six per 1,000 workers in manufacturing industries.

ELIZABETH M. CASELLI
Statistical Division

Significant Labor Statistics

Item	Unit	1950							Year Ago	Percentage Change	
		July	June	May	April	March	Feb.	Jan.		Latest Month over Previous Month	Latest Month over Year Previous
Consumers' Price Index											
Food.....	Jan. 1939=100	213.5	207.7	204.5	201.0	201.0	199.3	200.9	207.8	+2.8	+2.7
Housing.....	Jan. 1939=100	115.7	115.3	115.3	115.1	114.8	114.7	114.7	112.7	+0.3	+2.7
Clothing.....	Jan. 1939=100	143.2	143.0	142.5	142.5	142.6	142.7	143.2	144.8	+0.1	-1.1
Men's.....	Jan. 1939=100	157.3	157.0	155.6	155.5	155.5	155.7	156.0	157.8	+0.2	-0.3
Women's.....	Jan. 1939=100	131.3	131.2	131.4	131.5	131.7	131.8	132.3	133.9	+0.1	-1.9
Fuels.....	Jan. 1939=100	129.6	129.2	129.4	132.0	131.1	130.7	130.5	126.9	+0.3	+2.1
Electricity.....	Jan. 1939=100	92.8	92.8	92.8	92.6	92.7	92.6	92.6	92.0	0	+0.9
Gas.....	Jan. 1939=100	100.8	101.6	101.6	101.6	101.6	101.7	101.7	101.8	-0.8	-1.0
Housefurnishings.....	Jan. 1939=100	148.9	148.3	148.1	148.1	147.7	147.9	147.6	148.7	+0.4	+0.1
Sundries.....	Jan. 1939=100	156.3	156.1	155.9	155.9	155.5	155.4	155.4	154.7	+0.1	+1.0
All items.....	Jan. 1939=100	164.3	162.1	161.0	159.9	159.7	159.1	159.7	161.3	+1.4	+1.9
Purchasing value of dollar.....	Jan. 1939 dollars	60.9	61.7	62.1	62.5	62.6	62.9	62.6	62.0	-1.3	-1.8
All items (BLS).....	1935-1939=100	172.5	170.2	168.6	167.3	167.0	166.5	166.9	168.5	+1.4	+2.4
Strikes (BLS)											
Beginning in period.....	number	.....	p 425	p 450	400	260	210	225	377	-5.6	+12.7
Workers involved.....	thousands	.....	p 260	p 325	160	80	75	185	572	-20.0	-54.5
Total man days idle.....	thousands	.....	p 2,750	p 3,000	3,150	3,750	7,850	2,600	4,470	-8.3	-38.5
Turnover rates in manufacturing (BLS)											
Separations ¹	per 100 employees	.....	3.1	3.1	2.8	2.9	3.0	3.1	4.3	0	-27.9
Quits.....	per 100 employees	.....	1.8	1.6	1.3	1.2	1.0	1.1	1.5	+12.5	+20.0
Discharges.....	per 100 employees	.....	.3	.3	.2	.2	.2	.2	.2	0	+50.0
Layoffs.....	per 100 employees	.....	.9	1.1	1.2	1.4	1.7	1.7	2.5	-18.2	-64.0
Accessions.....	per 100 employees	.....	4.7	4.4	3.5	3.6	3.2	3.6	4.4	-6.8	-6.8
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.461	1.454	r 1.442	1.434	1.424	1.420	1.418	1.408	+0.5	+3.8
weekly.....	average in dollars	p 59.02	58.74	r 57.68	56.93	56.53	56.37	56.29	54.63	+0.5	+8.0
Hours per production worker.....	average per week	p 40.4	40.4	40.0	39.7	39.7	39.7	39.7	38.8	0	+4.1
Employment.....	1939 average=100	.....	147.4	144.5	141.6	141.0	139.9	139.8	138.4	+2.0	+6.5
Payrolls.....	1939 average=100	.....	362.2	r 348.8	337.2	333.5	330.0	329.2	315.7	+3.8	+14.7
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.528	1.524	1.509	r 1.499	1.486	1.483	1.485	1.477	+0.3	+3.5
weekly.....	average in dollars	p 62.50	62.94	61.72	r 61.01	59.74	59.47	59.40	57.31	-0.7	+9.1
Hours per production worker.....	average per week	p 40.9	41.3	40.9	40.7	40.2	40.1	40.0	38.8	-1.0	+5.4
Employment.....	thousands	p 6,614	6,602	r 6,452	6,195	6,070	5,979	6,000	5,894	+0.2	+12.2
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.378	1.365	r 1.358	r 1.355	1.353	1.350	1.343	1.332	+1.0	+3.5
weekly.....	average in dollars	p 54.84	53.92	r 52.83	r 52.17	53.04	53.06	52.91	51.55	+1.7	+6.4
Hours per production worker.....	average per week	p 39.8	39.5	38.9	38.5	39.2	39.3	39.4	38.7	+0.8	+2.8
Employment.....	thousands	p 5,492	5,471	r 5,388	r 5,402	5,479	5,478	5,449	5,317	+0.4	+3.3
Class I railroads ²											
Earnings, hourly.....	average in dollars	.....	.....	.....	.....	1.613	1.629	1.624	1.403	-1.0	+15.0
weekly.....	average in dollars	.....	.....	.....	.....	71.78	69.10	68.64	67.38	+3.9	+6.5
"Real" weekly earnings.....	1923=100	.....	.....	.....	.....	179.9	173.9	172.2	167.1	+3.5	+7.7
Hours per wage earner.....	average per week	.....	.....	.....	.....	44.5	42.4	42.3	48.0	+5.0	-7.3
Agricultural wage rates (BAE) ³											
With board and room, per month.....	average in dollars	98.00	.....	.....	92.00	.....	.....	96.00	102.00	+6.5	-3.9
With house, per month.....	average in dollars	126.00	.....	.....	113.00	.....	.....	118.00	130.00	+11.5	-3.1
Composite rate per hour.....	average in dollars	.56	.....	.....	.47	.....	.....	.59	.56	+19.1	0

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Includes miscellaneous: shown separately prior to February, 1950.

²Derived from Interstate Commerce Commission reports.

³Changes in Agricultural Wage Rates are quarterly.

pPreliminary.
rRevised.

Prices Are Up for Fifth Month

THE climb in cost of living which began in March, 1950, continued unchecked in July, marking the fifth consecutive increase. The consumers' price index compiled by THE CONFERENCE BOARD reached 164.3 (January, 1939=100) in July, exceeding the June index by 1.4%. The over-all rise since July, 1949, is 1.9%.

To determine what food items were largely responsible for the current high level of prices for groceries from February through July, a special analysis has been prepared for three key cities. National Industrial Conference Board reports in New York City, Chicago, and Los Angeles show that meat paced the advance in all three cities. In Chicago, the average increase was 21.5% against a 13.9% rise in New York and a 10.5% advance in Los Angeles.

Chicago is the only city to show an increase in every component from February 15 to July 15. Housewives had to contend with larger increases in meat, vegetables, canned goods, fruits, and miscellaneous items such as coffee, sugar, and tea. However, cereal and dairy products did not rise as rapidly as they did in the other cities. In contrast to Chicago, cereal and dairy products were highest in New York, while the rise of fresh fruit manifested less of a strain on

consumers' spending than anywhere else. The increase in living costs to wage earners and lower salaried clerical workers in Los Angeles was more than 8% lower than Chicago and almost 4% lower than New York. In no instance did Los Angeles show a greater increase than New York and only in two of the components (cereal and dairy products), did it exceed Chicago. Canned goods and miscellaneous items decreased in contrast to increases in the other two cities.

The increase from June 15 to July 15, however, cannot be traced to a particular commodity for all three cities. In New York, dairy products showed the largest increase (4.1%). In Chicago, meat led the rise (6.2%) and in Los Angeles fresh vegetables went up the most (4.9%).

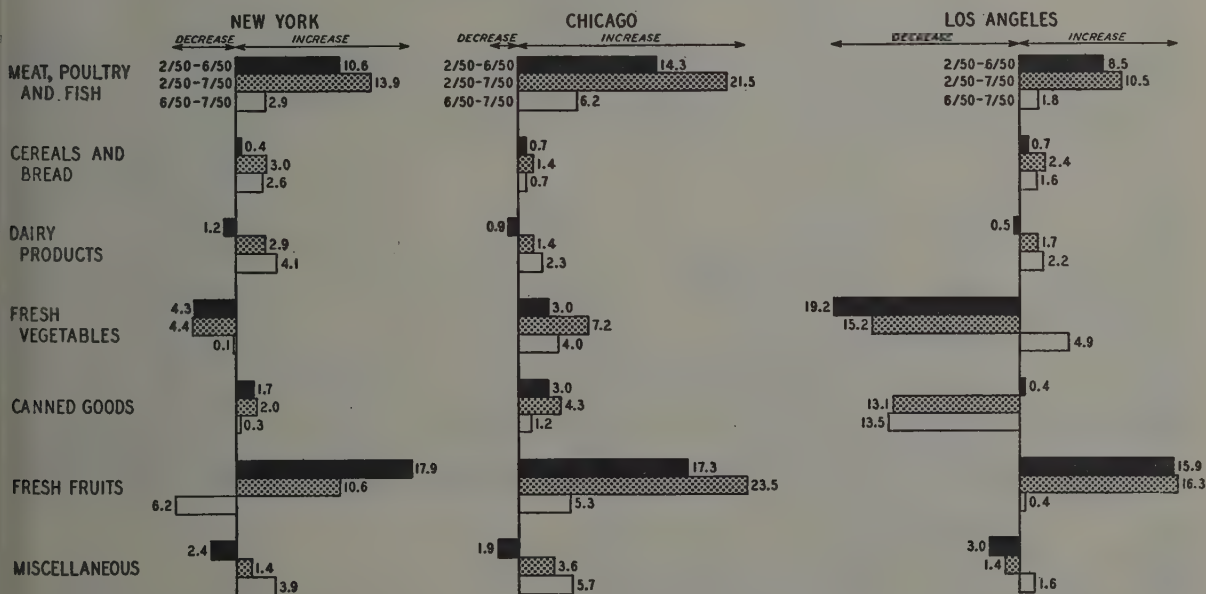
COST OF LIVING UP SHARPLY IN JULY

Every major budget group showed an increase from June 15 to July 15. Food costs led the rest with a 2.8% jump. The Korean war has accelerated the trend, with housewives stocking up in anticipation of higher prices and possible scarcity.

The price of food, the most heavily weighted item in the budget of moderate income families, increased an average of 7% from the start of the upward movement. Since Pearl Harbor, a gain of more than 78% has been recorded.

For the combined 54-city index, meats, fresh fruits and vegetables, dairy products, sugar and coffee were

Food Analysis by Groups



Source: THE CONFERENCE BOARD

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

City	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1950	April 1950	July 1949	April 1950 to July 1950	July 1949 to July 1950
Baltimore					
Food.....	214.3	201.5	209.3	+6.4	+2.4
Housing.....	112.3	112.3	110.1	0	+2.0
Clothing.....	145.3	144.0	146.1	+0.9	-0.5
Fuel ¹	146.2	154.1	147.2	-5.1	-0.7
Housefurnishings.....	165.7	165.7	164.6	0	+0.7
Sundries.....	151.3	150.6	150.5 ^r	+0.5	+0.5
Weighted Total.....	165.8	161.7	163.6 ^r	+2.5	+1.3
Bridgeport					
Food.....	205.2	192.5 ^r	199.8 ^r	+6.6	+2.7
Housing.....	111.1	111.1	107.2	0	+3.6
Clothing.....	137.1	137.5	139.1	-0.3	-1.4
Fuel ¹	148.9	147.0	140.4	+1.3	+6.1
Housefurnishings.....	145.4	144.2	144.7	+0.8	+0.5
Sundries.....	172.3	171.7	171.8 ^r	+0.3	+0.3
Weighted Total.....	164.9	160.5	161.7 ^r	+2.7	+2.0
Dayton					
Food.....	210.1	196.1	198.9	+7.1	+5.6
Housing.....	119.0	119.0	117.5	0	+1.3
Clothing.....	138.1	138.1	140.1 ^r	0	-1.4
Fuel ¹	141.9	144.4	139.0	-1.7	+2.1
Housefurnishings.....	154.7	154.6	154.6	+0.1	+0.1
Sundries.....	153.7	153.1 ^r	152.3 ^r	+0.4	+0.9
Weighted Total.....	162.1	157.9	158.1 ^r	+2.7	+2.5
Eric, Pa.					
Food.....	237.2	212.6	224.1 ^r	+11.6	+5.8
Housing.....	123.3	124.0	123.2	+3.5	+4.1
Clothing.....	165.7	165.9	167.6	-0.1	-1.1
Fuel ¹	156.7	159.3	152.2	-1.6	+3.0
Housefurnishings.....	149.5	147.7	147.0 ^r	+1.2	+1.7
Sundries.....	165.1	163.8	163.1	+0.8	+1.2
Weighted Total.....	180.0	171.3	174.0	+5.1	+3.4
Grand Rapids					
Food.....	212.9	196.3	208.5	+8.5	+2.1
Housing.....	139.0	129.0	118.3	+7.8	+17.0
Clothing.....	135.9	135.2	141.0	+0.5	-3.6
Fuel ¹	152.2	160.4	151.9	-5.1	+0.2
Housefurnishings.....	159.2	157.0	155.8	+1.4	+2.2
Sundries.....	160.3	159.5	158.1	+0.5	+1.4
Weighted Total.....	168.6	162.3	163.6	+3.9	+3.1
Green Bay, Wis.					
Food.....	220.2	206.3 ^r	217.3	+6.7	+1.3
Housing.....	132.1	131.8	131.8 ^r	+0.2	+0.2
Clothing.....	150.5	150.2	155.2	+0.2	-3.0
Fuel ¹	136.3	144.7	137.8	-5.8	-1.1
Housefurnishings.....	135.2	132.9	142.5	+1.7	-5.1
Sundries.....	154.4	153.9	153.4 ^r	+0.3	+0.7
Weighted Total.....	166.8	163.1	166.7 ^r	+2.3	+0.1
Houston					
Food.....	213.5	207.6 ^r	213.3 ^r	+2.8	+0.1
Housing.....	130.0	130.0	113.4	0	+14.6
Clothing.....	144.0	141.1	146.3	+2.1	-1.6
Fuel ¹	81.8	81.8	81.8	0	0
Housefurnishings.....	131.2	123.9 ^r	130.5	+1.8	+0.5
Sundries.....	153.1	152.3	150.2	+0.5	+1.9
Weighted Total.....	159.8	157.5	156.3 ^r	+1.5	+2.2
Memphis					
Food.....	227.1	210.0	219.1	+8.1	+3.7
Housing.....	114.5	114.5	114.0	0	+0.4
Clothing.....	147.6	148.2 ^r	151.4	-0.4	-2.5
Fuel ¹	118.0	118.2	117.9	-0.2	+0.1
Housefurnishings.....	146.9	146.6	148.8	+0.2	+1.3
Sundries.....	135.5	139.5	137.2 ^r	-2.9	-1.2
Weighted Total.....	158.2	154.8	156.9 ^r	+2.2	+0.8
Minneapolis-St. Paul					
Food.....	226.4	213.9	217.0	+5.8	+4.3
Housing.....	109.1	109.1	108.6	0	+0.5
Clothing.....	145.1	144.5 ^r	147.4	+0.4	-1.1
Fuel ¹	138.5	140.7	136.5	-1.6	+1.5
Housefurnishings.....	158.2	156.0	155.1	+1.4	+2.0
Sundries.....	160.1	156.7	158.4	+2.2	+1.1
Weighted Total.....	167.5	162.8 ^r	164.0	+2.9	+2.1
Newark					
Food.....	213.1	199.3	210.1	+6.9	+1.4
Housing.....	106.4	106.4	105.7	0	+0.7
Clothing.....	135.2	135.1	136.0	+0.1	-0.6
Fuel ¹	116.7	117.7	113.3	-0.8	+3.0
Housefurnishings.....	169.6	168.1	166.9	+0.9	+1.6
Sundries.....	146.3	145.8	142.7	+0.3	+2.5
Weighted Total.....	161.4	156.3	159.0	+3.3	+1.5
Omaha					
Food.....	232.3	219.9	228.8	+5.6	+1.5
Housing.....	125.4	125.3	111.3	+0.1	+12.7
Clothing.....	140.9	141.3	144.1 ^r	-0.3	-2.2
Fuel ¹	132.0	133.0	130.0	-0.8	+1.5
Housefurnishings.....	164.7	165.1	163.9	-0.2	+0.5
Sundries.....	155.5	154.8	154.8 ^r	+0.5	+0.5
Weighted Total.....	169.5	165.9	166.2 ^r	+2.2	+2.0
Roanoke, Va.					
Food.....	210.1	198.6	207.6	+5.8	+1.2
Housing.....	149.0	140.6	140.6	+6.0	+6.0
Clothing.....	158.1	160.1	163.2	-1.2	-3.1
Fuel ¹	153.4	150.6	149.7	+1.9	+2.5
Housefurnishings.....	152.6	151.0	150.9	+1.1	+1.1
Sundries.....	152.4	150.6	150.3	+1.2	+1.4
Weighted Total.....	169.6	164.1	166.9	+3.4	+1.6
Sacramento					
Food.....	211.0	205.3	214.8	+2.8	-1.8
Housing.....	128.3	128.3	115.5 ^r	0	+11.1
Clothing.....	161.2	160.6 ^r	164.8	+0.4	-2.2
Fuel ¹	76.2	76.2	73.7 ^r	0	+3.4
Housefurnishings.....	158.3	156.3	163.8 ^r	+1.3	-3.4
Sundries.....	149.7	151.6	150.9	-1.3	-0.8
Weighted Total.....	162.2	160.9	162.0 ^r	+0.8	+0.1
Seattle					
Food.....	207.6	202.3 ^r	206.5	+2.6	+0.5
Housing.....	122.8	120.4 ^r	115.9	+2.0	+6.0
Clothing.....	133.2	133.3	137.8	-0.1	-3.3
Fuel ¹	137.5	137.5	135.6 ^r	0	+1.4
Housefurnishings.....	158.5	156.4	161.6	+1.3	-1.9
Sundries.....	150.1	150.1	148.4 ^r	0	+1.1
Weighted Total.....	161.9	159.7	160.4 ^r	+1.4	+0.9
Syracuse					
Food.....	216.1	202.0 ^r	213.1	+7.0	+1.4
Housing.....	124.5	124.5	116.7	0	+6.7
Clothing.....	149.6	143.5	150.8	+4.3	-0.8
Fuel ¹	151.0	154.5	147.7	-2.3	+2.2
Housefurnishings.....	156.7	155.8	159.4	+0.6	-1.7
Sundries.....	143.8	143.8	143.5	0	+0.2
Weighted Total.....	162.6	158.2	160.2	+2.8	+1.5

SOURCE: THE CONFERENCE BOARD

¹Includes electricity and gas.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	July 1950	June 1950	July 1949	June 1950 to July 1950	July 1949 to July 1950		July 1950	June 1950	July 1949	June 1950 to July 1950	July 1949 to July 1950
Birmingham						Indianapolis					
Food.....	213.8	204.7 ^r	210.5	+4.4	+1.6	Food.....	224.7	216.4	211.7	+8.8	+6.1
Housing ¹	149.7	121.6	121.6	+23.1	+23.1	Housing ¹	121.0	121.0	119.4	0	+1.3
Clothing.....	145.6	146.0	149.6	-0.3	-2.7	Clothing.....	139.5	139.8	143.9	-0.2	-3.1
Fuel ²	125.7	124.8	124.0 ^r	+0.7	+1.4	Fuel ²	152.8	152.8	150.4	0	+1.6
Housefurnishings.....	150.1	148.3	148.8	+1.2	+0.9	Housefurnishings.....	148.1	147.8	147.1	+0.2	+0.7
Sundries.....	141.6	141.6	141.0	0	+0.4	Sundries.....	160.9	160.8	160.1 ^r	+0.1	+0.5
Weighted Total.....	163.9	156.4	158.3 ^r	+4.8	+3.5	Weighted Total.....	169.1	166.7	165.1 ^r	+1.4	+2.4
Boston						Los Angeles					
Food.....	199.5	193.5	197.1	+8.1	+1.2	Food.....	204.2	201.6	204.2	+1.3	0
Housing ¹	116.1	116.1	114.8	0	+1.1	Housing ¹	114.6	114.6	111.9	0	+2.4
Clothing.....	139.3	139.1	141.4	+0.1	-1.5	Clothing.....	138.1	138.0	140.6	+0.1	-1.8
Fuel ²	156.6	154.9	152.0	+1.1	+8.0	Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	154.5	153.9	156.4	+0.4	-1.2	Housefurnishings.....	139.2	139.0 ^r	138.6	+0.1	+0.4
Sundries.....	151.6	151.4	150.6	+0.1	+0.7	Sundries.....	149.2	149.1	150.5	+0.1	-0.9
Weighted Total.....	161.0	158.6	159.5	+1.5	+0.9	Weighted Total.....	155.3	154.5	155.5	+0.5	-0.1
Chicago						New Orleans					
Food.....	227.6	218.6	216.4	+4.1	+5.2	Food.....	218.5	209.7	210.2 ^r	+4.2	+3.9
Housing ¹	124.3	124.3	120.5	0	+3.2	Housing ¹	119.1	119.1	119.2 ^r	0	-0.1
Clothing.....	141.7	141.0	142.4	+0.5	-0.5	Clothing.....	148.8	148.6	150.6	+0.1	-1.2
Fuel ²	112.6	112.6	109.7	0	+2.6	Fuel ²	90.6	90.6	89.9	0	+0.8
Housefurnishings.....	142.6	142.1	143.8	+0.4	-0.8	Housefurnishings.....	157.3	157.3	159.8	0	-1.6
Sundries.....	163.7	163.4	164.7	+0.2	+5.8	Sundries.....	140.9	141.0	140.4	-0.1	+0.4
Weighted Total.....	170.3	167.3	163.3	+1.8	+4.3	Weighted Total.....	165.5	162.2	162.5	+2.0	+1.8
Denver						New York					
Food.....	212.3	210.0 ^r	210.3 ^r	+1.1	+1.0	Food.....	203.3	199.3	201.2	+2.0	+1.0
Housing ¹	113.4	113.4	113.4	0	0	Housing ¹	104.6	104.6	104.4	0	+0.2
Clothing.....	151.8	151.7	151.1	+0.1	+0.5	Clothing.....	142.9	142.8	144.1 ^r	+0.1	-0.8
Fuel ²	105.9	105.9	105.0	0	+0.9	Fuel ²	130.8	129.7	128.2 ^r	+0.8	+2.0
Housefurnishings.....	143.0	143.4 ^r	140.9	-0.3	+1.5	Housefurnishings.....	150.8	150.6	150.7	+0.1	+0.1
Sundries.....	151.1	151.1	149.4	0	+1.1	Sundries.....	160.5	160.4	160.1 ^r	+0.1	+0.2
Weighted Total.....	160.3	159.5	158.9	+0.5	+0.9	Weighted Total.....	160.4	158.8	159.5 ^r	+1.0	+0.6
Detroit						Philadelphia					
Food.....	218.6	211.6	211.1	+3.3	+3.6	Food.....	199.1	192.1	192.7 ^r	+3.6	+3.3
Housing ¹	116.2	116.2	114.8	0	+1.2	Housing ¹	111.0	111.0	110.4	0	+0.5
Clothing.....	140.7	140.4	142.2	+0.2	-1.1	Clothing.....	135.8	135.7	133.0	+0.1	+2.1
Fuel ²	149.4	148.9	144.7	+0.3	+3.2	Fuel ²	145.4	145.1	143.0	+0.2	+1.7
Housefurnishings.....	154.3	153.3	152.8	+0.7	+1.0	Housefurnishings.....	149.6	147.9	147.1	+1.1	+1.7
Sundries.....	166.6	166.6	165.4	0	+0.7	Sundries.....	153.7	153.7	153.3	0	+0.3
Weighted Total.....	167.4	165.2	164.4	+1.3	+1.8	Weighted Total.....	160.4	157.8	157.3 ^r	+1.6	+2.0

Source: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November.

³Rents surveyed March, June, September, December.

⁴Includes electricity and gas.

^rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- Furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 July.....	160.4	205.0a	111.4	142.4	153.9	132.6	124.4	94.2	103.3	148.3	156.5	62.3
August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	156.9	62.3
September.....	161.0	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2	62.1
October.....	159.3	200.3b	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6c	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.4
February.....	157.8	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	157.7	63.1
March.....	158.4	197.7	112.3	140.7	152.1	131.1	127.9	94.2	102.7	147.6	157.8	63.1
April.....	158.6	197.7d	112.6	140.6	152.1	131.0	128.8	94.2	102.7	147.9	158.2	63.1
May.....	159.8	201.4	112.7	140.7	152.2	130.9	126.4	94.1	102.7	147.8	158.3	62.6
June.....	160.9	204.3	112.7	141.2	153.6	130.7	126.4	94.1	102.7	148.0 ^r	158.4	62.2
July.....	163.0	210.1e	113.2	141.4	153.9	130.8	127.0	94.1	102.7	148.5	158.5	61.3

Percentage Changes

June, 1950 to July, 1950....	+1.3	+2.8	+0.4	+0.1	+0.2	+0.1	+0.5	0	0	+0.3	+0.1	-1.4
July, 1949 to July, 1950....	+1.6	+2.5	+1.6	-0.7	0	-1.4	+2.1	-0.1	-0.6	+0.1	+1.3	-1.6

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for July 14, 1949.

^bBased on food prices for October 13, 1949.

^cBased on food prices for Jan. 16, 1950.

^dBased on food prices for April 13, 1950.

^eBased on food prices for July 13, 1950.

^rRevised.

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ¹			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 July.....	161.3	207.8 _a	112.7	144.8	157.8	133.9	126.9	92.0	101.8	148.7	154.7	62.0
August.....	161.5	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	155.1	61.9
September.....	162.1	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	155.3	61.7
October.....	160.4	204.0 _b	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2	62.3
November.....	160.5	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3	62.3
December.....	159.5	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3	62.7
Annual average.....	161.3	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0	62.0
1950 January.....	159.7	200.9 _c	114.7	143.2	156.0	132.3	130.5	92.6	101.7	147.6	155.4	62.6
February.....	159.1	199.3	114.7	142.7	155.7	131.8	130.7	92.6	101.7	147.9	155.4	62.9
March.....	159.7	201.0	114.8	142.6	155.5	131.7	131.1	92.7	101.6	147.7	155.5	62.6
April.....	159.9	201.0 _d	115.1	142.5	155.5	131.5	132.0	92.6	101.6	148.1	155.9	62.5
May.....	161.0	204.5	115.3	142.5	155.6	131.4	129.4	92.8	101.6	148.1	155.9	62.1
June.....	162.1	207.7	115.3	143.0	157.0	131.2	129.2	92.8	101.6	148.3 _r	156.1	61.7
July.....	164.3	213.5 _e	115.7	143.2	157.3	131.3	129.6	92.8	100.8	148.9	156.3	60.9

Percentage Changes

June, 1950 to July, 1950...	+1.4	+2.8	+0.3	+0.1	+0.2	+0.1	+0.3	0	-0.8	+0.4	+0.1	-1.3
July, 1949 to July, 1950...	+1.9	+2.7	+2.7	-1.1	-0.3	-1.9	+2.1	+0.9	-1.0	+0.1	+1.0	-1.8

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from July 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for July 14, 1949.

^bBased on food prices for October 13, 1949.

^cBased on food prices for January 16, 1950.

^dBased on food prices for April 13, 1950.

^eBased on food prices for July 15, 1950.

^rRevised.

responsible for the increase from June 15 to July 15. The only items to offset these were lettuce and bananas, which decreased.

Rugs and carpet prices were chiefly responsible for the 0.4% increase in housefurnishings. Scattered rises in sheets and dining room sets also contributed to this gain. The rise in housing of 0.3% from June 15 to July 15 was primarily due to a 23.1% increase in Birmingham, Alabama. Although Birmingham rents were decontrolled in May, 1950, the effect could not be shown until July, as rents are surveyed quarterly in all cities. Fuel was higher by 0.3%, while clothing and sundries gained 0.1% each.

The purchasing value of the dollar (January, 1939 = 100 cents) was 60.9 cents in July, 1950. This represents a decrease of 0.8 cent from June, 1950, and 1.1 cents from July, 1949.

Each of the twenty-five cities surveyed in July experienced over-all price rises over the month. Among the cities surveyed monthly, the greatest increase (4.8%) was registered in Birmingham, Alabama. Among the cities surveyed quarterly, the greatest increase was noted in Erie, Pennsylvania, where the index was up 5.1% from April, 1950.

SHIRLEY FASS
Statistical Division

Want More on Company Policy

A reader-interest survey among employees of the General Foods Corporation has turned up a finding that is fairly common among surveys of this type. Employees want more news about top management policies in their internal publication. Thousands of General Foods employees, in Canada and England as well as in the United States, accepted the editors' invitation recently to express their opinions regarding the *G. F. News Letter*.

Nine out of ten say they usually read the magazine and the returns indicate that there is at least one additional reader per copy. More than half say there

are three or more additional readers for their copies.

As part of the survey, employees were asked to mark choices of things they would like to see in the *News Letter*. First place went to "a brief report once in a while on what's going on in the world that is of special concern to GF and my job." Running neck and neck for second and third places were "a story now and then about work of GF people in some particular plant or department" and "a regular section of news from each unit." A question box where employees' questions about GF could be answered was fourth choice.

THE CONFERENCE BOARD

Contract Settlement Announcements—July 15-Aug. 15

A. Wage Increase Announcements

B. Settlements for Fringe Benefits Only

Note: Adjustments verified by company unless otherwise specified

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Automobiles, Parts and Accessories</i>							
Borg-Warner Corporation.....	WE	\$.05 hr.	7-50	4,500	n.a.	n.a.	Additional 4¢ to correct inequities. Monthly pensions of \$117. Equal-share voluntary health and hospitalization plan. (UAW, CIO)
Four Warner gear divisions Muncie, Ind.		nonproduction workers		approx.			
Briggs Manufacturing Company.....	WE	\$.05 hr.	7-1-50	34,000	n.a.	n.a.	Wage reopening 7-1-51. Pension of \$100, including Social Security, after 25 years' service. Contributory life, hospital, sickness and accident insurance. Of salaried employees, 300 belong to this union. (UAW, CIO)
Detroit, Mich.; Louisville, Ind.	S	\$8.70 semi-monthly	7-1-50	4,000	n.a.	n.a.	
Fruehauf Trailer Company.....	WE	\$.06 hr.	6-5-50	750	\$1.534 hr.	5-31-50	Three additional paid holidays. Wage reopening 6-3-51. (UAW, AFL)
Fort Wayne, Ind.							Group insurance plan granted to all employees within the bargaining unit, effective 7-1-50, at no cost to the employee. Wage reopening 7-13-52. (UAW, AFL)
Kent-Moore Organization, Inc.....	WE	\$.05 hr.	4-3-50	124	\$1.55 hr.	7-12-48	
Jackson, Mich.							Company pays all of employee's insurance and small part of dependent's coverage. (UAW, AFL)
Oldberg Manufacturing Company...	WE	\$.03 hr.	7-17-50	250	n.a.	7-12-48	
Grand Haven, Mich.							Three weeks' vacation after 15 years. Wage reopening 9-1-51. (UAW, CIO)
Trailmobile Company.....	WE	\$.04 hr.	6-1-50	1,300	\$1.51 hr. average	n.a.	
Cincinnati, O.							
<i>Building Materials and Supplies</i>							
Johns-Manville Corp.....	WE	\$.05 hr.	8-1-50	2,900	\$1.48 hr.	8-1-49	Three weeks' vacation after 15 years. Contributory insurance plan. (Federal Labor Union, AFL)
Manville, N. J.							
Marrero, La.	WE	\$.08 hr.	7-7-50	765	\$1.10 hr.	7-5-48	No wage reopening. (United Gas, Coke & Chemical Workers, CIO)
Masters Painters & Decorators of New York City, Inc.	WE	\$.15 hr.	8-50	10,000	\$2.45 hr.	n.a.	Pension and welfare fund payments by employers increased from 5% to 7%. Two-year agreement. (Bro. of Painters Decorators & Paperhangers, AFL)
New York							
<i>Chemicals & Allied Products</i>							
Air Reduction Co.....	WE	\$.025 hr.	4-1-50	35	\$1.42 hr.	4-1-49	Three weeks' vacation after 15 years' service. Wage reopening 60 days prior to 4-1-52. (Int'l Chemical Workers, AFL)
Pacific Division Los Angeles, Cal.					\$1.84 hr.		
American Cyanamid Company.....	WE	\$.043 hr. average	2-13-50	25	n.a.	n.a.	Three weeks' vacation after 15 years of service. Contributory group insurance plan initiated. Wage reopening once after 1-1-51. (United Gas, Coke & Chemical Workers, CIO)
Kalamazoo, Mich.							
Latrobe, Pa.	WE	\$.07 hr.	6-4-50	150	n.a.	n.a.	Three weeks' vacation after 15 years of service. Contributory group insurance plan initiated. Wage reopening once after 5-31-51. (UMW, Dist. 50)
Calco Chemical Division.....	WE	\$.05 hr.	5-11-50	325	n.a.	n.a.	
Willow Island, W. Va.							Three weeks' vacation after 15 years' of service. Sunday premium of 25¢ initiated. (Int'l Chemical Workers, AFL)
Atlas Powder Company.....	WE	\$.06 hr.	6-3-50	1,116	\$1.19 hr.	6-3-49	
4 plants Tamaqua and White Haven, Pa.					to \$1.55 hr.		Wage reopening 6-15-51. (United Gas, Coke & Chemical Workers, CIO)
Certain-Teed Products Corp.....	WE	\$.05 hr.	4-22-50	163	\$1.14 hr. base rate	4-22-49	
Grand Rapids, Mich.							Contract closed until 6-10-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
Davison Chemical Corp.....	WE	\$.05 hr.	6-10-50	n.a.	\$1.26 hr.	n.a.	
Cincinnati, O.							Additional 5¢ hour 7-2-51 and 6-30-52. Cost of living bonus to continue but at new base figure of 169.3. Cost of improved insurance benefits to be borne by company. Supplemental pension plan. Increased shift differential. Liberalized vacation plan. Contract expires 7-6-53. (UMW, Dist. 50)
Dow Chemical Company.....	WE	\$.05 hr.	7-3-50	5,200	\$1.655 hr. average base rate	n.a.	
Bay City, Mich.							

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Chemicals and Allied Products (Cont'd)</i>							
Durez Plastics & Chemicals, Inc..... North Tonawanda, N. Y.	WE	\$.05 hr.	7-6-50	538	\$1.476 hr.	9-15-49	Increased company-paid life insurance from \$1,500 to \$2,000—double indemnity after 6 months' service. Contract expires 7-6-51. (United Electrical, Radio & Machine Workers)
B. F. Goodrich Chemical Co..... Louisville, Ky.	WE	\$.06 hr.	4-28-50	548	\$1.542 hr. average	4-28-49	Night-shift bonus increased from 4¢ and 8¢ to 5¢ and 10¢. Improved benefit plan. Wage reopening 60 days prior to 4-27-51. (Distillers Rectifying & Wine Workers Int'l Union, AFL)
Hercules Powder Company..... Kalamazoo, Mich.	WE	\$.05 hr.	6-1-50	35	\$1.27 hr.	6-1-48	Wage reopening once in next 12 months. (United Gas, Coke & Chemical Workers, CIO)
Port Ewen, N. Y.	WE	\$.05 hr.	5-1-50	630	\$1.32 hr.	7-1-48	Wage reopening once after 5-1-51. (UMW Dist. 50)
International Salt Company, Inc.... Watkins Glen and Ludlowville, N.Y.	WE	\$.04 hr.	6-1-50	270	\$1.09 hr. labor	6-1-49	Wage reopening 5-31-51. (UMW, Dist. 50)
Linde Air Products Co..... Minneapolis, St. Louis Park, Minn.	WE	\$.05 hr.	4-27-50	26	\$1.435 hr. average	4-27-49	Noncontributory pension plan installed. Improvements in group insurance plan. Wage reopening 4-27-51. (United Electrical, Radio & Machine Workers)
Mutual Chemical Company..... Baltimore, Md.	WE	\$.04 hr.	6-1-50	280	\$1.07 hr. labor	6-1-49	Three weeks' vacation after 15 years. Increased health and accident insurance benefits from \$2 a week for 26 weeks to \$26 a week for 26 weeks. Improved hospitalization plan. Contract expires 6-1-51. (UMW, Dist. 50)
Neville Company..... Pittsburgh, Pa.	WE	\$.08 hr.	5-1-50	80	\$1.47 hr.	9-25-49	Wage reopening 6-1-51. (UMW, Dist. 50)
Pittsburgh, Pa.	S	\$15 mo.	5-1-50	40	n.a.	n.a.	(No union)
Parke, Davis & Co..... Detroit, Rochester, Mich.	WE	\$.02 hr.	5-1-50	2,500	n.a.	n.a.	Additional 4¢ hour 5-1-51 and 5-1-52. Cost of living escalator clause. Five days' sick leave per year. Funeral pay. Three weeks' vacation after 15 years' service. Pension of \$100 per month, including Social Security, after 25 year service; \$1 per month additional benefit for each year of service above 25 years at age 65. Wage reopening 5-1-53. (United Gas, Coke & Chemical Workers, CIO)
Reichold Chemicals, Inc..... Ferndale, Mich.	WE	\$.15 hr.	7-1-50	160	\$1.58 hr. average	n.a.	Wage reopening 7-1-55. (United Gas, Coke & Chemical Workers, CIO)
Stauffer Chemical Company..... Freeport, Texas	WE	\$.035 hr. weighted average	6-9-50	60	\$.95 hr.	4-1-50	(UMW, Dist. 50)
Union Carbide & Carbon Corp..... Sault Ste. Marie, Mich.	WE	\$.03 hr.	5-21-50	n.a.	n.a.	n.a.	Noncontributory pension plan, providing a minimum of \$100 per month for 25 years of service at age 65. Company to pay half the cost of group life and sickness and accident insurance and hospitalization and surgical plan coverage for employees and dependents. Wage reopening 5-21-51. (UMW, Dist. 50)
Winthrop-Stearns, Inc..... Rensselaer, N. Y.	WE	\$.04 hr. across the board	6-7-50	1,000 approx.	\$1.04 hr. to \$1.65 hr.	6-7-49	Three-year contract. Increase of 4¢ hour effective for each year of contract. Union shop wage granted for all hourly paid employees. (Int'l Chemical Workers, AFL)
<i>Food and Allied Products</i>							
Canada Dry Ginger Ale, Inc..... Buffalo, N. Y.	WE	\$.05 hr.	5-1-50	8	\$1.31 hr. to \$1.41 hr.	5-1-49	Contract expires 5-1-51. (Int'l Union of United Brewery, Flour, Cereal, Soft Drink & Distillers Workers, CIO)
General Foods Corp..... Hoboken, N. J.	WE	\$.05 hr.	3-25-50	1,000	\$1.29 hr.	3-25-49	Wage reopening 3-24-51. (Amal. Meat Cutters & Butcher Workmen, AFL)
General Mills, Inc..... Wichita, Kans.; Kansas City, Mo.	WE	\$.05 hr.	6-14-50	516	n.a.	n.a.	(American Federation of Grain Millers, AFL)
<i>Metal Manufactures</i>							
American Brake Shoe Co..... National Bearing Division Meadville, Pa.	WE	\$.045 hr.	7-3-50	250	n.a.	n.a.	Noncontributory pension plan. Wage reopening 5-25-51. (Int'l Molders & Foundry Workers, AFL)
Capehart-Farnsworth Corp..... Fort Wayne, Ind.	WE	\$.05 hr.	6-1-50	1,050	n.a.	n.a.	Three weeks' vacation after 10 years' service. Wage reopening 6-1-51. (United Electrical, Radio & Machine Workers)
Dayton Malleable Company..... Dayton, O.	S	\$2 wk.	8-19-50	70	n.a.	n.a.	Four-cent general increase 6-1-51. Five-year pension plan of \$100 maximum less Social Security or other public benefits at age 65 for 25 years' service. Disability pension of \$50. 50 years of age with 20 years' service. Vacation pay liberalized. Weekly accident and sickness benefits increased from \$20 to \$26 for 13 weeks. Wage reopening 5-31-52. (No union)

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Electrical Manufacturers (Continued)</i>							
Signal Corp.	WE	\$.05 hr.	7-1-50	180	n.a.	6-12-48	Wage reopening after 7-1-51. (United Electrical, Radio & Machine Workers) (No union)
Moline, Ill.	S	\$9 mo.	7-1-50	approx. 85	n.a.	6-48	
Electric Auto-Lite Co.	WE	\$.10 hr.	7-1-50	approx. 260	n.a.	n.a.	One-year contract. (Int'l Ass'n of Machinists, Ind.)
Lamp Division Rockland, O.							
Elgin National Watch Co.	WE	\$.08 hr.	8-50	200	\$1.90 hr. maximum	n.a.	Three weeks' vacation after 20 years' service. Inequity increase of 4¢ hour. (Int'l Ass'n of Machinists, Ind.)
Elgin, Ill.							
Lorance Stove Company.	WE	\$.05 hr.	7-1-50	1,550	n.a.	n.a.	New group insurance benefits. Third week of vacation after 15 years; inequity settlement. Triple time for holidays worked. Wage reopening 7-1-50. (AFL unions; Int'l Ass'n of Machinists, Ind.)
Kankakee, Ill.							
Wheeler Corporation.	WE	\$.05 hr.	6-23-50	600	n.a.	n.a.	Wage reopening 6-23-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Carteret, N. J.	S	\$.05 hr.	6-23-50	50	n.a.	n.a.	(Same union)
-M Laboratories, Inc.	WE	\$.04 hr. incentive workers \$.05 hr. non- incentive workers	6-12-50	180	n.a.	n.a.	No wage reopening. (United Electrical, Radio & Machine Workers)
Chicago, Ill.							
Greenfield Tap & Die Corp.	WE	\$.04 hr. day worker \$.03 hr. piece- worker	4-10-50	1,100	n.a.	n.a.	Company assumed full cost of group accident, sickness, hospital, surgical insurance for employees and dependents. No wage reopening prior to 4-10-51. (United Electrical, Radio & Machine Workers)
Greenfield, Mass.							
Ionel Corp.	S	\$1.60 wk.	4-10-50	291	n.a.	n.a.	Same as above. (No union)
Irvington, N. J.	WE	\$.05 hr.	5-1-50	1,753	\$1.25 hr.	5-1-49	Additional 2¢ hour 5-1-51 and 5-1-52. (Playthings, Jewelry & Novelty Workers Int'l Union, CIO)
	S	\$.05 hr.	5-1-50	77	\$1.22 hr.	5-1-49	Same as above.
Liquidometer Corporation.	WE	\$.07 hr.	1-22-50	200	n.a.	n.a.	Additional 7¢ hour increase 6-1-51. Five days' paid sick leave a year. One day vacation for each 2 months service not to exceed 2 weeks per year. After 6-1-51, 3 weeks' vacation for over 15 years' service. Two-year contract. No wage reopening. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Long Island City, N. Y.							
Stockwell Manufacturing Co.	S	\$3 wk.	6-1-50	56	n.a.	n.a.	Same benefits as above. (No union)
Leetonia, O.	WE	\$.05 hr.	6-6-50	180	n.a.	n.a.	Four paid holidays. Contract expires 5-1-51. (Construction Workers, UMW, Ind.)
Sperry Gyroscope Company.	WE	\$.05 hr.	retro. to 4-15-50	5,500	\$1.67 hr.	n.a.	Additional increase of 4¢ hour 4-15-51 and 4-15-52. Cost of living increase or decrease of 1¢ for every 1 point change in BLS index for New York City. Wages cannot go below basic wage of each year. Noncontributory sickness, hospital, surgical and life insurance program. Third week vacation after 15 years' service. Three-year contract. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Lake Success, N. Y.							
The Standard Register Co.	WE	\$.03 hr.	5-31-50	465	\$1.17 to \$2.12 max. range	2-14-49	Three weeks' vacation for completion of 3 years' service. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Dayton, O.							
Sterling Wheelbarrow Co.	WE	\$.07 hr.	6-1-50	90	\$1.085 hr. to \$1.665 hr.	6-14-48	Life insurance of \$1,000 with double indemnity. Sickness and accident insurance of \$21 per week. Company pays entire cost for employee. Wage reopening 4-1-51. (UAW, CIO)
Milwaukee, Wis.							
Coro Manufacturing Corp.	WE	\$.05 hr. across board	4-1-50	260	\$1.57 hr. and \$1.42 hr. average rates	4-1-49	Wage adjustment of 1¢. Additional vacation. Wage freeze until 1-1-50. Wage reopening 4-1-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Minneapolis, Minn.							
Chase Brass & Copper Co.	S	\$2 wk.	5-22-50	n.a.	n.a.	n.a.	Company to pay half the cost of family coverage, ward service, hospitalization, sickness and accident and surgical benefits insurance. Contract closed until 8-31-51 with respect to wages and welfare benefits. (Office Employees Int'l Union, AFL)
Cleveland, O.							

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metals (Continued)</i>							
Chase Metal Works plant	WE	\$0.05 hr.	5-15-50	n.a.	n.a.	n.a.	Contract runs until 5-14-52. Company to pay half cost of health and accident insurance premiums. (Int'l Bro. of Elec. Workers, AFL)
National Lead Co. Chicago, Ill.	WE	\$0.06 hr. general \$0.08 hr. mechanics	6-23-50	140	\$1.28 hr. general labor	11-7-49	Liberalized hospitalization, medical-surgical plan. Wage reopening 12-23-50. (United Electrical Radio & Machine Workers)
St. Louis, Mo.	WE	\$0.05 hr.	5-9-50	925	\$1.305 hr.	3-16-48	Three weeks' vacation after 15 years. Wage reopening twice in 2-year contract period. (Unit Gas, Coke & Chemical Workers, CIO)
Peoria Malleable Castings Co. Peoria, Ill.	WE	\$0.05 hr. day workers	7-3-50	215	\$1.13 hr. common labor	4-12-49	Incentive workers received equivalent percentage rise. (United Electrical, Radio & Machine Workers)
Phelps Dodge Corp. Morenci and Ajo, Ariz.	WE	\$0.40 hr.	3-1-50	n.a.	n.a.	n.a.	Wage reopening 8-1-51. Bro. of Railroad Trainmen, Ind.)
Pittsburgh Metallurgical Company, Inc. Calvert City, Ky.	WE	\$0.315 hr. \$0.05 hr.	4-8-50 6-7-50	n.a. 200 approx.	n.a. n.a.	n.a. n.a.	(Bro. of Locomotive Firemen & Enginemen, Int'l) Shift differential of 5¢. Coverage for family under hospitalization and surgical benefits. First contract with union. One-year contract (UMW, Dist. 50)
Wagner Malleable Iron Company Decatur, Ill.	WE	\$0.03 hr.	6-12-50	350	n.a.	n.a.	Additional 2¢ hour 9-3-50. Wage reopening waived by union. (UAW, AFL)
L. A. Young Spring & Wire Corp. Detroit, Mich.	WE	\$0.05 hr. skilled workers	7-24-50	207	n.a.	n.a.	(UAW, CIO)
<i>Paper and Allied Products</i>							
Charles W. Bräneman Co. Cincinnati, O.	WE	\$0.03 hr. to \$0.09 hr.	4-50	120	n.a.	n.a.	Company-paid hospital care, sickness and accident indemnity. One-year contract. (Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Brightwater Paper Company. Adams, Mass.	WE	\$0.05 hr.	7-1-50	200	\$1.045 hr. male \$0.915 hr. female base rates	7-25-49	Wage reopening 7-1-51. (UMW, Dist. 50)
Crown Zellerbach Corp. Pacific Coast	S WE	varied 3% across the board	7-1-50 5-50	20 n.a.	n.a. n.a.	n.a. n.a.	(No union) Third week vacation after 15 years' continuous service. Three nonrestricted holidays will be paid holidays. (Int'l Bro. of Paper Makers, Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Detroit Sulphite Pulp and Paper Co. Detroit, Mich.	WE	\$0.04 hr.	5-1-50	394	\$1.23 hr.	5-1-48	One additional paid holiday, making total of 4. Three weeks' vacation after 15 years' service. Wage reopening any time on sixty days' notice. (Int'l Bro. of Paper Makers; Int'l Bro. of Pulp Sulphite & Paper Mill Workers, AFL)
Fitchburg Paper Company. Fitchburg, Mass.	S WE	5% \$0.03 hr.	5-1-50 6-4-50	70 363	n.a. \$1.06 hr. common labor	n.a. 5-16-48	Same benefits as above. (No union) Three weeks' vacation after 20 years' continuous service. Wage reopening anytime after 60 days' notice. (Int'l Bro. of Paper Makers, AFL)
Fraser Paper Ltd. Madawaska, Brunswick, Shawmut and Waterville, Me.	S WE	\$1.25 wk. \$0.03 hr.	6-4-50 6-1-50	53 675	n.a. \$1.14 hr. male labor	n.a. 6-1-50	Same benefits as above. (No union) Night shift differential of 3¢ and 5¢. Three weeks' vacation after 15 years' continuous service. Wage reopening on 30 days' written notice by either party. (Int'l Bro. of Paper Makers, Int'l Bro. of Pulp, Sulphite and Paper Mill Workers; Office Employees Int'l Union, AFL)
General Box Co. Louisville, Ky.	S WE	varied \$0.02 hr.	6-1-50 5-26-50	37 250 approx.	n.a. \$1.05 hr. average	n.a. 5-26-49	Same vacation benefits. (No union) Two paid holidays: Labor Day and Thanksgiving. Wage evaluation plan installed. Wage reopening 5-26-51. (United Paperworkers, CIO)
Hollingsworth & Vose Co. W. Groton, Mass.	S WE	\$5 mo. \$0.05 hr.	6-1-50 7-1-50	51 158	n.a. \$1.09 hr.	n.a. 7-1-48	Same benefits as above. (No union) Weekly group accident and health insurance benefits increased from \$15 per week to \$30. Group life insurance increased from \$1,000 to \$1,500. Both on 50-50 basis. Three weeks' vacation after 15 years of consecutive service. Contract expires 7-1-51. (Int'l Bro. of Paper Makers, AFL)
	S	\$2 wk. salaried 3% mo. salaried	7-1-50	22	n.a.	7-1-48	Same benefits as above. (No union)

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Paper and Allied Products (Continued)</i>							
International Paper Co. Book and Bond Division New York, Pennsylvania and Maine	WE	5%	6-1-50	4,068	n.a.	n.a.	Three weeks' vacation after 15 years. Two additional paid holidays making a total of six. Minimum pension allowance of \$100 a month, including Social Security, after 15 years' creditable service. Increased sickness and disability benefits. Thirty-day wage reopening. (Int'l Bro. of Paper Makers; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers; Int'l Bro. of Firemen & Oilers, AFL)
Marathon Corporation..... Menominee, Mich.; Ashland, Menasha, and Rothschild, Wis.	S WE	5% 5%	6-1-50 5-1-50	330 2,800	n.a. \$1.20 hr. minimum	n.a. 6-21-48	Same benefits as above. (No union) No wage reopening. (Int'l Bro. of Paper Makers; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
National Container Corp..... Omaha, Wis.	WE	5%	6-1-50	325	\$1.17 hr.	6-1-48	Salaried employees also received 5% increase. Wage reopening on 30 days' notice. (Int'l Bro. of Paper Makers; Int'l Bro. of Pulp Sulphite & Paper Mill Workers, AFL)
Northwest Paper Company..... Brainerd and Cloquet, Minn.	WE	5%	6-19-50	1,525	\$1.20 hr. male base rate	6-15-48	One additional paid holiday, making total of five. Wage reopening 6-15-51. (Int'l Bro. of Paper Makers; Int'l Bro. Pulp, Sulphite & Paper Mill Workers; Int'l Bro. of Firemen & Oilers, AFL)
Posego Falls Paper Mills, Inc. Posego, Mich.	WE	\$.05 hr.	6-12-50	95	\$1.15 hr.	11-8-48	Wage reopening 6-13-50. (United Paperworkers, CIO)
Procter Paper Co. Woodland, Me.	WE	\$.03 hr.	5-1-50	450	\$1.15 hr. base rate	5-2-49	Three weeks' vacation after 15 years' service. Company contribution to hospital and surgical insurance increased from 40% to 60%. Wage reopening 5-1-51. (Five AFL unions; Int'l Ass'n of Machinists, Ind.)
Regis Paper Company. Nashua River Division Pepperell, Mass.	S WE	\$.03 hr. \$.05 hr.	5-1-50 7-1-50	50 342	n.a. \$1.01 hr. male base rate	n.a. 7-1-49	Same benefits as above. (No union) Three weeks' vacation after 15 years. One wage reopening on 30 days' notice. (Int'l Bro. of Paper Makers, AFL)
Trout, Inc. Superfine Paper Mills Utica, N. Y.	WE	\$.07 hr.	6-7-50	350 approx.	\$1.04 hr. base rate	10-1-48	Three weeks' vacation after 15 years. Time and a half for work performed over 8 hours in any one day. Three days off with pay in case of death in immediate family. (Int'l Bro. of Paper Makers, AFL)
West Virginia Pulp & Paper Company Lake, Md.; Covington, Va.; Williamsburg, Pa.	WE	5%	8-1-50	4,000	\$1.15 hr. labor	8-24-48	Three weeks' vacation after 15 years. Additional 5¢ to 1st class and 2nd class mechanics. Six-hour guarantee for wire changes. Additional holiday in 1952 making a total of four. Wage reopening on one month's notice. (United Paperworkers, CIO)
Mechanicville, N. Y.	WE	5%	5-29-50	1,117	\$1.15 hr.	5-29-48	Three weeks' vacation after 15 years. Two additional paid holidays making total of five. Wage reopening on 30 days' notice. (UMW, Dist. 50)
<i>Public Utilities</i>							
Wizards Bay Gas Company..... Hyannis, Mass.	WE	\$.03 hr.	5-1-50	43	\$1.00 hr. to \$1.35 hr.	8-1-49	Hospitalization insurance, maintenance of uniforms. Wage reopening 3-31-51. (UMW, Dist. 50)
	S	\$1.50 wk. to \$3.50 wk.	6-1-50	17	\$30 wk. to \$42.50 wk.	8-1-49	
Madison Gas & Electric Co. Madison, Wis.	S	4%	5-1-50	41	\$135.50 mo. to \$319 mo.	5-1-49	Wage reopening 5-1-51. (Office Employees Int'l Union, AFL)
Pacific Power & Light Co. Oregon	WE	\$.05 hr. to \$.15 hr.	3-28-50	526	\$2.07 hr. and \$2.13 hr.	3-28-49	Wage reopening 3-25-51. (Int'l Bro. of Electrical Workers, AFL)
		\$.05 hr.	6-1-50	80	\$2.40 hr.	6-1-49	Wage reopening 6-1-51. (Int'l Union of Operating Engineers, AFL)
	S	3.37%	4-1-50	350	n.a.	n.a.	(No union)
Public Service Company of Indiana, Inc. Indiana	WE	5%	5-1-50	1,426	\$1.4785 hr.	5-1-49	Liberalized payments of hospitalization and surgical benefits. Minimum pension of \$100 per month, including Social Security, for employees with 30 years' service. Provided as liberalization of existing insured retirement annuity plan. Wage reopening 5-1-51. (Int'l Bro. of Electrical Workers, AFL)
<i>Ceramic, Clay and Glass Products</i>							
Certain-Teed Products Corporation.. Fort Dodge, Iowa	WE	\$.03 hr.	6-1-50	150	\$1.03 hr. base rate	6-1-49	Wage reopening 6-1-51. (UMW, Dist. 50)

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Stone, Clay and Glass Products (Cont'd)</i>							
Cleveland Quarries Company.....	S	6.75%	6-1-50	30	n.a.	n.a.	Contract expires 6-1-51. (Office Employees Int'l Union, AFL)
Sterling Grinding Wheel Division Tiffin, O.							
National Gypsum Company.....	WE	\$.05 hr.	6-1-50	125	\$1.00 hr.	6-1-49	Company-paid insurance program. Wage opening 6-1-51. (Construction Workers, UMW, Ind.)
Kimballton, Va.							
National City, Mich.	WE	\$.05 hr.	6-1-50	300	\$1.12 hr.	9-19-49	Six paid holidays. Wage reopening 6-1-51. (United Gas, Coke & Chemical Workers, CIO)
New York, N. Y.	WE	\$.06 hr.	6-10-50	275	\$1.185 hr.	12-31-48	Insurance package program. Wage reopening 6-10-51. (Construction Workers, UMW, Ind.)
<i>Textiles and Allied Products</i>							
W. H. Bayshaw Co.....	WE	5%	5-15-50	60	n.a.	n.a.	No wage reopening. (United Textile Workers, AFL)
Nashua, N. H.							
*Charm-Tred Mills, Inc.....	WE	\$.04 hr. to \$.05 hr. see remarks	7-50	300	n.a.	n.a.	Two-year agreement, subject to wage reopening within a year. Union label to appear on products. (United Textile Workers, AFL)
Monticello, Ark.							
*Metropolitan Floor Covering Association Greater New York Area	WE		7-1-50	3,500 approx.	n.a.	n.a.	Minimum hourly rates of measurers, cutters, layers of floor and ceiling coverings raised to per hour; carpet sewers and apprentices minimum rates raised \$1 day. Employers' monthly contribution of 3% of payroll of employees credited to welfare fund. Six paid holidays. Wage reopening 5-51. Three-year contract. (United Bro. of Carpenters & Joiners, AFL)
<i>Transportation and Communication</i>							
Frisco Transportation Company.....	S	\$.04 hr.	7-1-50	n.a.	\$.84 hr. to \$.99 hr.	n.a.	(Office Employees Int'l Union, AFL)
Springfield, Mo.							
Indiana Associated Telephone Corp.. Lafayette, Ind.	WE	\$.10 hr.	retro. to 1-2-50	678 approx.	\$.825- \$1.675 male range \$.75-\$1.00 female range	1-2-49	Awarded by arbitration. Shortened evening to for female traffic employees. One additional holiday—Washington's Birthday. Two weeks vacation after 2 years' service, formerly after 3 years. Two-year contract, no wage reopening. (Communications Workers, CIO)
Scranton Transit Co.....	WE	\$.05 hr.	4-1-50	347	\$1.27 hr. average	4-1-49	Wage reopening 4-1-51. (Amalgamated Ass'n of Street Electric Railway & Motor Coach Employees, AFL)
Scranton, Pa.							
*Stillpass Transit Co., Inc.....	S	4%	4-1-50	62	n.a.	4-1-49	(No union)
Ohio	WE	\$.12 hr.	7-50	5	n.a.	n.a.	Additional 5¢ hour next year. Two-year contract. (Int'l Ass'n of Machinists, Ind.)
<i>Trucking and Warehousing</i>							
Port Angeles Western Railroad.....	WE	\$.10 hr.	7-1-49	25	\$1.325 hr. to \$1.67 hr.	11-1-47	(Bro. of Railroad Trainmen; Bro. of Locomotive Firemen & Enginemen, Ind.)
Port Angeles, Wash.							
*Truck Drivers.....	WE	\$2.92 day	7-50	550	\$13.08 day	n.a.	Affects drivers of cement, lime and gypsum trucks. Employer-financed Blue Cross hospitalization. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
New York, N. Y.							
Union Terminal Cold Storage Co., Inc.	S	\$3 wk.	4-1-50	9	\$47 wk. average	n.a.	Twelve paid holidays per year. Hospital surgical benefits, life insurance and temporary disability benefits. Wage reopening 5-31-51. (Office Employees Int'l Union, AFL)
Jersey City, N. J.							
<i>Miscellaneous</i>							
American Furniture Co.....	WE	\$.05 hr. approx.	4-1-50	300 approx.	\$1.03 hr.	4-1-49	Result of wage reopening of 2-year contract which expires 3-1-51. (Upholsterers Int'l Union, AFL)
Batesville, Ind.							
American News Company, Inc.....	WE	\$.0425 hr.	4-1-50	9	\$39.80 wk. to \$48.80 wk.	4-1-50	One-week termination notice after 6 months. (Office Employees Int'l Union, AFL)
Oakland, Calif.							
Armstrong Cork Co.....	WE	\$.05 hr. across the board	7-1-50	182 approx.	\$9.90 hr. minimum	10-18-48	Wage reopening 7-1-51. (UMW, Dist. 50)
Pensacola, Fla.							
Argonne National Laboratory.....	WE	\$.15 hr.	6-50	200	\$1.90 to \$2.05 hr.	1-1-48	(Int'l Ass'n of Machinists, Ind.)
Chicago, Ill.							
Cochran Foil Company.....	WE	\$.085 hr.	7-3-50	10	\$1.665 hr.	8-23-49	(Int'l Ass'n of Machinists, Ind.)
Louisville, Ky.							
Hotel Association of New York City New York	WE	\$1.80 wk. to \$4.00 wk. \$.15 hr.	6-1-60	35,000	n.a.	n.a.	Contract may be reopened for wages before expiration on 5-31-52. (New York Hotel Trades Council, AFL)
International Shoe Co.....	WE		8-1-50	20	\$1.35 hr. and \$1.45 hr.	8-1-48	Six paid holidays instead of five. Wage reopening 8-1-52. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
St. Louis, Mo.							

A—WAGE INCREASE ANNOUNCEMENTS—JULY 15 TO AUGUST 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Miscellaneous (Continued)</i>							
Marine Painters Association..... New York	WE	\$.075 hr.	8-1-50	700	\$1.645 hr.	n.a.	Extra payment rates for special work. Membership of industry's welfare committee increased. Welfare pact to cover employees of independent companies. One-year contract. (Bro. of Painters, Decorators & Paperhangers, AFL)
National Exhibition Co..... New York, N. Y.	S	\$.50 day	retro. to 4-18-50	n.a.	\$7.00 day to \$8.50 day	n.a.	Affects gate keepers at the Polo Grounds. Inside ticket takers to receive \$7.50 a day for single game and \$8.50 for double headers. Outside gate men to receive \$8 and \$9 a day for single and double games, respectively. (Building Service Employees Int'l Union, AFL)
Petroleum Exploration Company..... Lexington, Ky.	WE	\$.10 hr.	5-1-50	33	n.a.	5-1-49	Wage reopening 5-1-51. (Construction Workers, UMW, Ind.)
Snyderhauser Timber Company..... Tacoma, Wash.	WE	\$.05 hr.	7-25-50	n.a.	\$1.45 hr. base rate	4-1-48	Memorial Day, July 4th and Labor Day recognized as paid holidays. Employees to receive straight-time pay for 8 hours for each holiday as such and time and one half in addition for hours worked during the shift designated as the holiday shift. Company to pay employees' group life, accident and health, and hospital, medical and surgical insurance. Wage reopening 10-1-50. (Int'l Woodworkers, CIO)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Automotive and Manufacturing</i>				
American Blower Corporation..... Columbus, O.; Detroit, Mich.	WE	n.a.	350	Area differential adjustment of 5¢ hour. Minimum pension of \$100 per month at age 65 with 25 years of service. Greater amounts to be paid on the basis of 1% of earnings for the past 10 years at time of retirement times years of service. Graduated amount of life insurance, sickness and accident, permanent total disability, in-hospital, and paid-up life insurance. Amount insurance varies from \$2,500 to \$5,000. Wage reopening 7-1-51. (UAW, CIO)
Electric Auto-Lite Co..... 3 plants	WE	7-50	15,000	Company-paid pension of \$100 month after 25 years' service, \$125 after 30 years. Health and accident insurance. Wage adjustments for skilled and hourly rated employees. (UAW, CIO)
Electric Storage Battery Co..... Chicago, Ill.	WE	6-1-50	n.a.	Wage increase of 5¢ hour effective 6-1-51. Minimum retirement allowance of \$60 month. Increase in weekly sickness and accident insurance payments. (United Electrical, Radio & Machine Workers)
Thaca Gun Company..... Thaca, N. Y.	WE	6-22-50	300	Contributory pension plan. Modification of vacation plan allowing 5% for 15 years. Five-year contract, wage reopening once each year by either party. (Int'l Ass'n of Machinists, Ind.)
<i>Metals</i>				
Chase Brass & Copper Company..... Waterbury, Conn.	WE	n.a.	3,700 approx.	Company to continue the present company life insurance plan, but to pay for the first \$2,000 of insurance and the employee paying 60¢ per \$1,000 for all additional insurance to which he is entitled. Company-paid hospitalization. Wage reopening on or after 6-23-51. (Chase Brass & Copper Workers, CIO)
Land Steel Container Co..... New Jersey City, N. J.	WE	n.a.	n.a.	Pension plan of \$100 per month minimum. New hospitalization and insurance plan. Wage reopening 4-26-51. (Int'l Chemical Workers, AFL)
Larger Iron Co..... Dayton, O.	WE	7-7-50	65	Equivalent of 5¢ per hour granted for group insurance plan. Wage reopening one year from date of contract. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
<i>Paper and Allied Products</i>				
Robert Gair Co..... Monawanda, N. Y.	WE	5-10-50	250	Three weeks' vacation after 15 years' continuous employment. Group insurance plan expanded and made noncontributory. Rate of employee's contributions to retirement plan reduced. Voluntary checkoff privileges granted to union members. Two-year contract. Wage reopening at end of first year. (United Paperworkers, CIO)
General Box Co..... Kansas City, Mo.	WE	4-8-50	140 approx.	Six paid holidays. Wage reopening 4-8-51. (Retail, Wholesale & Department Store Union, CIO)
<i>Textiles and Allied Products</i>				
The Barbizon Corporation..... Lancaster, Pa.	WE	n.a.	n.a.	Additional week's vacation, graduating one day per year over three years' employment. Wage reopening 1954. (Int'l Ladies Garment Workers, AFL)
Boxbury Carpet Company..... Barnstable, Mass.	WE	6-4-50	700	Pension plan of \$100 per month, including Social Security, to employees' 65 years with 30 years' service. One wage reopening after 6-1-51. (Textile Workers Union, CIO)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
<i>Miscellaneous</i>				
Akron Engraving Co.....	WE	7-17-50	21	Contract expires 7-17-52. Increase of \$2 week for second year of contract (Int'l Photo-Engravers Union, AFL)
Akron, O.				
Great Lakes Carbon Corporation.....	WE	4-10-50	50 approx.	Two weeks' vacation, one additional day's pay for each year over 10. Ten weeks' vacation after fifteen years. Company pays laundry charges for change of work clothes per week. Wage reopening 60 days before 4-10-51, once during term of contract. (United Gas, Coke & Chemical Workers, CIO)
Lockport, Ill.				
Harrisburg Railways.....	WE	1-1-50	275 approx.	New retirement and disability pension plan. Two-year contract, wage reopening 60 days prior to 1-1-51. (Harrisburg Railways Employee Ass'n, Ind.)
Harrisburg, Pa.				
Hedstrom Union Co.....	WE	n.a.	n.a.	One additional holiday—Columbus Day. Annual wage reopening 5-1-51. (United Furniture Workers, CIO)
Fitchburg, Mass.				

¹Type of worker: WE, wage earner; S, salaried employee.

*Obtained from press reports—information not verified.

n.a. Not available.

NATALIE E. FRIEDMAN
Statistical Division

Military Leaves

(Continued from page 326)

armed forces of the United States for an initial period of three years, including any involuntary extension of that period.

International Harvester Co. Chicago, Illinois

The following policy will apply to any employee leaving a position (other than a temporary position) to enter military service

(1) *who is inducted* into the armed forces—this includes employees nineteen through twenty-five years of age whose service is for a period of twenty-one months, or

(2) *who enlists* for one year and is between eighteen and nineteen years of age, or

(3) *who enlists* (first enlistment under the Selective Service Act of 1948—irrespective of age) in the armed forces or the Coast Guard (other than in a reserve component of either) for not more than three years, plus any extension thereof by law, or

(4) *who is ordered or called to active duty* (any reservist, irrespective of age, and with or without his consent) in the armed forces, the Coast Guard or the Public Health Service for not more than three years, or as soon thereafter as he is able to obtain orders relieving him of such active duty,

provided he satisfactorily completes his period of training and service as prescribed by law, receives a certificate to that effect and makes application for re-employment within ninety days after he is relieved from such training and service, or from hospitalization continuing after discharge for a period of not more than one year.

Re-employment Rights

An employee who enters military service in accordance with one of the classifications above

(1) shall, if still qualified to perform the duties of such position, be restored to such position or a position of like seniority, status and pay; or

(2) shall, if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status and pay, or the nearest approximation thereof consistent with the circumstances in his case,

provided his seniority entitles him to such position, and he is qualified to perform the duties of such position, and unless the company's circumstances have so changed as to make it impossible or unreasonable to do so.

When two or more persons leave the same position, return, and are entitled to be restored to a position, the person who left first shall have the prior right to be restored thereto provided he has the greater seniority.

Seniority

The employment record of such employee who is restored to employment with the company shall be credited for seniority purposes with the time spent in military service, and the time intervening between discharge from service and such re-employment.

Vacation Plans

Such employee who leaves the company to enter military service who has qualified for a vacation and has not yet taken his vacation will be entitled to his vacation which becomes due that year.

When such employee returns from military service,

is re-employed by the company, he will qualify for vacation after he has met the service and/or attendance requirements of the vacation plan applicable to him. The employee will receive service credit (not attendance credit) for time spent in the armed forces and the time intervening between discharge from military service and re-employment.

Insurance Plans

Membership in the Employees' Benefit Association, life insurance plan, and group hospitalization and surgical benefit plan will be terminated on the day worked. Such employee who is restored to employment may immediately rejoin these plans. Time spent in military service will be counted for the purpose of determining the employee's eligibility for membership in the plans.

Contributory Annuity Plan

When such employee who is a member of the contributory annuity plan enters military service, his annuity may be retained on inactive status and re-earned immediately to active status upon his return to re-employment by the company. Time spent in military service will be counted for the purpose of determining eligibility for membership in the plan.

Pension Plan

With respect to such employee who is restored to employment by the company, and who, prior to January 1, 1937, acquired rights under the company's pension plan, the period of absence in military service and the time intervening between discharge from military service and re-employment by the company, shall not be regarded as interrupting service with the company for purposes of the pension plan.

Replacement of Employees Who Enter Military Service

When new employees hired and present employees who are up-graded or transferred to replace employees who enter military service must be informed that the jobs which they are placed will be classified as temporary assignments.

Standard Oil Company (New Jersey) New York, New York

Eligibility for Special Leaves of Absence for Active Military Service

A. Employees on special leaves of absence for peacetime military service on August 1, 1950.

1. Employees on special leaves of absence for peacetime military service on August 1, 1950, shall automatically be granted a special leave of absence for active military service, subject to the terms and conditions hereinafter prescribed for such leaves.

B. Employees who on or after August 1, 1950, enter upon active duty in the armed forces, the Coast Guard or the Public Health Service.

1. Special leaves of absence for active military service shall be granted to the following:

(a) Regular employees who are inducted into the armed forces for training and service.

(b) Regular employees who enlist for active duty in the armed forces or the Coast Guard for a period not in excess of three years, or the shortest term of enlistment available in the branch of the service in which the employee enlists, whichever is the greater.

(c) Regular employees who enter upon active duty in the armed forces, the Coast Guard or the Public Health Service in response to an order or call to active service.

II. Duration of Special Leaves of Absence for Active Military Service

A. Special leaves of absence for active military service shall be effective as of the date on which the employee actually enters upon active duty and shall continue until terminated by whichever of the following first occurs:

1. the employee is reinstated in company service;
2. the employee fails to apply for reinstatement (1) within ninety days after he is discharged, or otherwise relieved from active duty, or (2) within ninety days after his release from hospitalization continuing for a period of not more than one year after his discharge or relief from active duty;
3. the employee, following an enlistment (not induction) subsequent to June 24, 1948, voluntarily re-enlists or voluntarily consents to an extension of his enlistment for a period in excess of three years or the shortest term of enlistment available in the particular branch of the service, whichever is the greater.
4. the employee, following an entry upon active duty subsequent to June 24, 1948, in the armed forces, the Coast Guard or the Public Health Service, in response to an order or call to active duty, fails to obtain his release from active duty within three years after the date of entering upon active duty or as soon thereafter as he is able to do so;
5. the leave is terminated by amendment or cancellation of this provision of the policy consistent with any applicable provisions of law.

III. Protection of Job

In any promotion made to fill a vacancy created as a result of granting a special leave of absence for active military service under this policy, it should be made clear to the promoted employee that the job

protection provided for in the policy does not apply to him on his new assignment in the event that he, too, should enter upon active duty. Upon return from active duty an employee who has received a certificate as to the satisfactory completion of his service and has applied for reinstatement prior to the termination of his special leave of absence shall be reinstated in his former position, if it still exists, unless circumstances have so changed as to make it impossible or unreasonable to do so. If such change has taken place, every effort shall be made to provide him with other suitable employment.

Prior to reinstatement, the employee shall be given a medical examination in order to establish a record of his physical condition when he returns to the company's employ and also to determine if he is still qualified to perform the duties of his former position. If he is not so qualified, he shall be placed in such other position, the duties of which he is qualified to perform, as will provide him like seniority, status and pay or the nearest approximation thereof consistent with the circumstances of his case.

IV. *Pay during Special Leaves of Absence for Active Military Service*

A. Vacations

1. Employees who are to be placed on special leaves of absence for active military service should take, prior to entry upon active duty, any vacation to which they are entitled in the calendar year. If this cannot be done, payment shall be granted in lieu thereof in the case of employees entering upon active duty on or after August 1, 1950.

B. Lump Sum Payment

1. Regular employees who enter upon active duty on or after August 1, 1950, and who have one or more years of credited company service prior to being placed on special leave of absence for active military service will receive a lump sum payment equivalent to two months' normal full pay. Regular employees with more than six months but less than one year of credited company service will receive a lump sum payment equivalent to one month's normal full pay. Pay shall be based on the employee's regular rate and normal working schedule in effect as of the last day of active company service and it shall include any cost of living allowance in effect at that time. It shall exclude overtime payments of all kinds and disregard temporary or extended schedules in excess of normal which may be in effect on that date. This payment is to be made only upon presentation of evidence of formal entry into active duty.

2. If an employee is granted a special leave of absence for active military service and returns to the company prior to the expiration of two months

from the effective date of the leave, he will be expected to return a pro rata portion of the lump sum payment.

3. The amount of any lump sum payment which an employee is entitled hereunder shall be reduced by the amount of any lump sum payment previously received.

C. Payments for Dependents

1. The dependents of regular employees who are placed on special leaves of absence for active military service and who have one or more years of credited company service prior to being placed on such leave may receive monthly payments of an amount by which "company pay" exceeds "government pay" in accordance with the following definitions and maxima, until cancellation or amendment of this policy:

a. Definition of Dependency

(1) Payments for dependents under this policy may be made only for the following:

(a) wife, lawfully married to and living with the employee or in receipt of support from the employee to the extent of more than half of her total support;

(b) children of the employee under eighteen years of age, or totally and permanently disabled, including children born of a lawful marriage, stepchildren and children legally adopted, living with the employee in receipt of support from the employee to the extent of more than half of their total support;

(c) parents, including natural parents, stepparents, or the foster parents of the employee in receipt of support from him to the extent of more than half of their total support.

(2) Those cases in which dependency is based upon support by the employee to the extent of more than half of the total support of the person concerned should be evidenced by the employee's designation of such person as a dependent for withholding tax purposes or, in the event that the dependent has not been so designated, by other satisfactory evidence.

(3) Dependents resulting from a marriage which took place after August 1, 1950, shall not qualify unless twelve months have elapsed between the date of the marriage and the date of the employee's entry upon active duty.

b. Application for Payments

Payments for dependents will be granted on the basis of information contained in an ap

cation submitted by the employee upon a prescribed form furnished him, which will establish the nature of the dependency of his relatives and the amount of his anticipated government pay. If approved, these payments will begin to accrue, in the case of employees entering upon active duty on or after August 1, 1950, two months after entry into active duty and will be paid at the end of each calendar month. In the case of dependents of employees on special leave of absence for peacetime military service on August 1, 1950, payments approved under this circular letter will begin to accrue as of August 1, 1950. New applications covering the ensuing six months' period will be required semi-annually, beginning January 1, 1951, from all employees on special leaves of absence for active military service who qualify for payments for dependents. If the application is not received in sufficient time to make the dependency payment on the due date because the employee is in overseas service or because of other reasonable grounds, interim payments may be made on the basis of a statement from the dependent.

c. Company Pay

Company pay shall be based on the employee's regular rate and the normal working schedule in effect as of the last day of active company service and it shall include any cost of living allowance in effect on that day. It shall exclude overtime payments of all kinds and temporary or extended schedules in excess of normal which may be in effect.

d. Government Pay

Government pay shall include the following items:

(1) Anticipated pay to be received from State and Federal Governments during the special leave of absence, on the basis of the rank which the employee is to assume as of his entry into active duty (rank on August 1, 1950, for those on active duty on that date), or the rank on the last preceding January 1 or July 1 in the case of those previously eligible for payments, and shall include base pay plus any allowances for rent, subsistence, service, ratings, or special qualifications, but exclude allowances for travel, uniform, etc.

(2) Any unemployment benefits and payments by State and Federal Governments to or for the support of dependents which are not a part of the regular pay of members of the armed forces. Credit will be taken by the company for dependency payments by the government on the basis of the employee's

rank as of the date of entry into military service (rank on August 1, 1950, for those on active duty on that date), or as of the last preceding January 1 or July 1, whichever is later. Since Public Law 174, effective November 1, 1943, covering government dependency pay requires that certain grades of enlisted men make a choice between such dependency payments and subsistence and rental payments, it is not possible to take credit automatically for these payments in those cases. However, in all cases the employee will be required to take such payments into consideration in making application for company payments for dependents.

e. Maximum Allowance

Allowances payable under this program shall not exceed

(1) the employee's monthly contribution to the support of his named dependents at the time of his entry into military service, as reported by him on his written application, or

(2) 50% of the employee's company pay, or

(3) the difference between the employee's company pay and his government pay, whichever of (a), (b), or (c) is the least.

f. Adjustments in Company Pay

Payments under the dependency provisions of this policy will not be changed as a result of any general adjustments made by the company in base salaries, base wages or cost of living allowances.

g. Adjustment in Government Pay

If there is a general upward adjustment in the government pay for any group during the effective period of this circular letter, credit will be taken in company dependency payments to those affected, as of the effective date of the upward adjustment, on the basis of the new rate for the rank held by the employee at the beginning of the period covered by the original or subsequent semi-annual application for dependency pay.

h. Adjustment in Status of Dependents

Changes in the status of dependents beyond the employee's control during the period between the semi-annual application dates may be used as the basis for an interim application for dependency payments; for example, the death of one parent, resulting in the need for support of the surviving parent by the employee. Employees shall notify the company

when there is a change in the status of dependents during the period covered by the semi-annual application such that there is a reduction in, or elimination of, the need for dependency payments; for example, the death of a wife or other dependent.

i. Death in Military Service

Payments under the dependency provisions of this policy will be terminated as of the end of the month in which the dependent receives official notice from the United States Government of the death of the employee.

j. Prisoners of War

Payments under the dependency provisions of the policy will be continued in the case of employees who are officially declared prisoners of war until the status of the employee changes; for example, death or discharge.

k. Missing in Action

Payments under the dependency provisions of this policy will be continued in the case of employees reported as missing in action until official notification is received from the United States Government of the death of the employee. However, the total amount of such payments, beginning with the first month following the date on which the employee is officially declared missing in action, shall not exceed such survivor benefits as may be payable under the company's survivor benefit plan. Payments made subsequent to the date of death, as officially determined, are to be deducted from survivor benefits which may be payable.

l. Discharge

Payments under the dependency provisions of this policy will be terminated upon reinstatement as an active employee or two weeks after official discharge or release from active duty, whichever comes first. Employees are expected to advise the company immediately of the date of discharge or release from active duty.

V. Benefit Programs

A. Employees Thrift Plan

Payments under this policy will not be used as a basis for making contributions for the purposes of the employees thrift plan because such payments are not part of the established wage or salary system. Accordingly, no deduction will be made from

such payments. The accounts of such members will be held in suspense and subject to the provisions of the plan.

B. Group Insurance

In the case of subscribers granted special leave of absence for active military service in accordance with the provisions of this circular letter, group insurance may be continued for the first ninety days of such leave, subject to payment of the necessary premiums in advance. Whether or not the employee continues his group insurance, coverage will continue in force for thirty-one days after termination of the insurance without cost to the subscriber.

Employees whose group insurance is terminated in accordance with the provisions of this circular letter and who return to the company's service upon or prior to the expiration of their special leaves of absence may again subscribe to group insurance without medical examinations and without prejudicing their possible eligibility under the group insurance program for annuitants, provided such reinstatement is made effective within thirty days after return to work and also provided the group insurance contract is then in effect.

C. Survivor Benefit Plan

Employees on special leaves of absence for active military service in accordance with the provisions of this circular letter will be eligible until cancellation or amendment of this policy to survivor benefits subject to the same conditions as if at work. If death occurs while the employee is on special leave of absence for active military service, the period of such leave shall be included in computing credit company service for purposes of this plan.

D. Service Credits

Except as provided in the preceding paragraph and for the purposes of the 1932 annuity plan, service credit for the period of special leave of absence for active military service will be granted.

1. Upon the employee's return to active service with the company prior to the expiration of the special leave of absence for active military service or

2. As of the date employee receives a military disability discharge, if at that time he is unable to return to work because of disability, provided the employing company is notified of the disability in accordance with the terms of the disability benefit plan.

A special leave of absence for active military service shall not break the continuity of an employee's service under the 1932 annuity plan.

tripartitism

(Continued from page 329)

part this was met by assigning rotating memberships to various industrialists and, in part, by placing on the WLB distinguished persons who lacked industrial relations experience.

The latter experiment was often not the most successful, although there were, of course, wide variations. The chairman of the second regional board stated:

"In the main, frequency of attendance was a *sine qua non* of truly influential participation in the board's work. This fact presents a dilemma, however, for many of the ablest men, especially in industry, cannot give large chunks of time to work of this sort. A partial solution is, however, available. A man whose work outside the board brings him into contact with labor relations problems can quickly adjust himself to the board's work load. On the other hand, a man of great business acumen and standing in the community but without labor experience may be lost in the intricacies of board discussions which, in the course of time, have acquired an almost professional flavor and jargon (though not a professionally polite tone). I conclude that a capable business executive who has had first-hand knowledge of labor negotiations is likely to be a more fruitful representative of industry than would be an executive of perhaps greater personal eminence in the National Association of Manufacturers."

On the other hand, in an area such as San Francisco, where bargaining was already on an association basis, and where experienced managerial personnel were already available, management was extremely well represented. The chairman of the tenth region stated:

"The most active industry members were those representing employer organizations. Indoctrinated in board procedures and policies before their appointments, they began to percolate in a very short time. On the average, it took these members about one week to become vocal and about three weeks to develop a psychological understanding of the 'pitches' on the other side of the table. The lawyers among the industry members carried the ball a great deal of the time, and at least one was almost always present with ears wide open, if not calling signals. Several part-time industry members sat nearly as many times as the regulars and were as well informed on cases and policies. After several weeks of regular attendance, it appeared to be unimportant whether the active industry members sat once, twice, or three times a week to be considered as first-stringers. In a way, the industry side, like Knute Rockne, had a reserve lineup which was about as good as the starting team. After the board was well under way with its program, the industry members took turns in attending sessions."

In general, industry board members soon learned

"Termination Report of the WLB," Volume I, p. 621.

²*Ibid.*, pp. 743-744.

the tricks of their trade and functioned well as a group. This is a consensus of most of the public members of the War Labor Board.¹ Statistics to back it up are difficult to obtain and are probably of little use even when available.

For example, the table on page 329 shows the labor and industry vote on dispute cases decided by the WLB between July 1, 1944, and August 18, 1945. It will be noted that industry and the public formed the majority in most of the wage-rate cases and to a lesser extent in "fringe" cases such as pension plans, sickness insurance and severance pay. Labor and the public formed the majority in the bulk of nonwage cases concerning such issues as the checkoff system and maintenance of membership.

However, mere voting together to form a majority does not necessarily imply agreement on a basic issue. In matters of fringe issues, for example, although the public members voted against sickness insurance plans, they generally thought such plans should be matters of negotiation. On the other hand, industry members who voted with the public considered these plans to be largely management prerogatives. Likewise, on union security issues, labor voted with the public, but in most cases it wanted the union shop rather than maintenance of membership.

Selecting public members is the most difficult job of all. Every person has his prejudices and his preconceptions and these are difficult to separate from decisions based on the merits of the case. When someone asked a public member of WLB, "Who is the public, anyway?" he replied, "Well, as a public member I represent nobody, but everybody," and that about sums up the whole problem.

CONCLUSION

Whether the advantages of a tripartite setup outweigh the disadvantages is largely a matter of personal feelings and experience. There are serious drawbacks as well as great advantages in the tripartite setup, and as noted earlier, the advantages of tripartitism are the disadvantages of an all-public board. But a tripartite board and an all-public board have this significant characteristic in common: the critical decisions are made by the public members, whether as the middle men on a tripartite board, or as the sole members of an all-public board. Hence the character of these decisions will be determined, in the last analysis, by the men who are appointed public members. And this, in turn, may depend to a considerable degree on the individuals to whom is delegated the responsibility for choosing the public representatives.

HERBERT R. NORTHRUP

Division of Business Economics

¹*Ibid.*, Volume I, pp. 602, 638, 652, 671-673, 698.

Questions and Answers

(Continued from page 333)

in the two cities. During these meetings, so much interest was expressed in the operation and policies of the company that it was decided to offer a continuing forum in the pages of the magazine.

Any Timken employee having any question regarding activities of the company is invited to address it to the editor of the *Trading Post*. He may sign it or not, as he chooses. He is assured that the answer will be made by the top executive most qualified to answer it. The only caution is that "questions submitted should not infringe upon the established grievance procedure in each plant," and employees are reminded that maintenance of the column in no way closes the open door to management. It does not alter "the right of employees, now in effect, to stop in to see any executive at any time during working hours about any question."

If an employee signed his question, his name would be published in the magazine unless he asked that it not be used. So far, none of the questions published have been signed, and the answers carry no signatures. The magazine's editor gives each question to the individual in the organization he feels would be the best qualified to answer the specific query. If that person feels another is better able to provide the answer, the editor refers it to the one suggested.

From six to eight questions are received a month. To start the column off, in the December, 1949, issue of the magazine, some of the questions that had been asked repeatedly during the meetings were published. There is particular interest in substituting fact for rumor, so recently as a part of the Open Forum page, a Rumor Clinic box has been inserted, which can be clipped and sent to the editor. The copy in this box reads "I have heard that (several lines left for filling in the rumor). Please announce the true facts of this statement in the next issue of the *Timken Trading Post*."

The frankness of the replies appearing in the Forum may be judged from the following examples:

Q. "Does any bearing company undersell Timken? If so, how can it afford to do so?"

A. "Yes. In some instances, SKF, Bower, Tyson and other bearing companies undersell us. We do not know if these companies could afford to sell all bearings cheaper than Timken, but we do know that some sales have been made below our prices."

* * *

Q. "What percentage of the company's business is automotive and how will the Chrysler strike affect us?"

A. "We do not divulge the percentage of the company's business in different industries; however, our automotive business is substantial, and if the Chrysler strike remains

in effect, between six and seven hundred Timken employees will have to be laid off."

* * *

Q. "Profit-sharing plans seem to be working successfully in other companies. Could a similar plan be worked out for our company to increase production and reduce expenses?"

A. "Profit sharing works for some companies and has been tried in other companies and abandoned. More plans have been abandoned than have been kept in effect. We do not believe profit sharing is feasible at the present time for our company."

COMMONWEALTH EDISON'S "ANSWER CORNER"

The Answer Corner in the *Edison Round Table* of the Commonwealth Edison Company, Chicago, conducted by R. F. Creutz, vice-president of industrial relations and chairman of the supervisory training committee (a subcommittee of the company's highest operating committee). The column was started in March, 1947, as the result of an employee suggestion. The company was encouraged to act upon it because of the favorable experience of the Detroit Edison Company with its Question Box in the *Synchroscope*.

The great majority of questions for the Answer Corner are submitted on cards which are stapled into the magazine every other month. Originally, reply cards were inserted loose in the publication every month. Later, as an economy measure, the envelope in which the magazine was mailed was eliminated, and at the same time the cards were left out. The number of questions decreased sharply, so the card was reinstated on the alternate-month basis, the time stapled to hold it in place.

While the card may be sent through company mail it is a business reply card addressed to Mr. Creutz, which can be sent through the regular mails. On the face of the card is printed "Mr. Creutz, I would like to know the answer to this question: _____". Beneath the space allowed for the query is the notation: "Questions should be of general employee interest. Refer other inquiries to your supervisor. For replies, see Answer Corner in the *Edison Round Table*."

The cards have proved sufficient stimulus to keep questions flowing at a rate to keep the department lively and interesting. More than six times as many questions were received in a five-month period after the card idea was re-adopted as during a comparable period when no cards were inserted. At present, an average of between twelve and fifteen questions a month are received.

Mr. Creutz' signature appears at the end of the department. In the early days of the column, various executives signed the answers, but to cut down the time required for processing, it was believed expedient to have a single executive responsible for a

plies. When questions were referred to several executive offices, there was difficulty in meeting the monthly deadline of the magazine. Moreover, it was considered advisable to have one general style of reply rather than several.

By arrangement with the mailing room, all inquiries are now forwarded to the superintendent of training and safety, who, as secretary of the supervisory training committee, is responsible for the processing of inquiries prior to Mr. Creutz' review and approval. The training superintendent acquires the necessary information from authoritative sources and writes a tentative answer. The replies, with correspondence showing the sources of information, are sent twice a month to the vice-president, who reviews them, makes such changes as are necessary and sends the approved copy to the editor of the *Round Table*. Whenever feasible, reference is made in an answer to the source of information contained in it. One copy of the column is retained in the vice-president's office, and another is sent to the secretary of the supervisory training committee, who keeps a record of when each question appears in the magazine, the source of the answer and previous questions of a similar nature.

Reprints Sent to Supervisors

Reprints of the answer column are sent periodically to all supervisory people, to be included in their management binders. When a question is asked that has already been answered, the questioner, through the column, is referred to the previous publication. For example: "Questions referring to employee discount on the purchase of appliances are covered by the reply given in the *Round Table* for _____, 19—. Please see your supervisor. He has a copy of the answer in the management binder. Or the library will be glad to look it up in their files if you will give them a ring on Extension 2117."

The majority of questions received since the Corner was begun have concerned industrial or labor relations matters. Pensions, the status of management personnel and matters concerning employee privileges (for instance, discounts on appliances, stock purchase, employee rates for electric service) have been three popular categories. For example:

Q. "Is it possible to publish a pamphlet with the advantages of being on the intermediate management pay roll? Why is it that intermediate management is not entitled to the pay rate or an appropriate portion of the supervisor rate when performing these duties in the supervisor's absence? Realizing these will not be answered in the *Round Table*, maybe a pamphlet is the only way."

A. "I am not sure that I understand what you mean by 'intermediate management' pay roll. The management pay roll has the subdivisions of administrative and supervisory.

"An employee on the supervisory pay roll is recognized as having demonstrated ability to supervise other em-

ployees. An employee on the administrative pay roll is recognized as having certain professional or administrative abilities involving the exercise of discretion and judgment on matters directly related to the management of the business as an enterprise. Tangible evidence of this takes the form of higher rates of pay for management jobs in keeping with the degree of responsibility involved.

"In the establishment of an assistant supervisor it is recognized that he will exercise supervisory responsibility over the group as a regular part of his duties, not just when his superior is absent. The mere physical absence of his superior does not necessarily determine the time when such authority is to be used because the assistant functions in this capacity constantly. The occasional absence of the supervisor is a condition that has been recognized in establishing a job and in determining the job rate."

* * *

Q. "Is there a fee for employees to have their electric meters moved to the outside of their homes?"

A. "As a general policy, the company does not move meters outdoors for employees or customers, either gratis or on a charge basis, because the service entrance equipment, other than the meter and outdoor cabinet, belongs to the property owner and such alterations are regarded as his responsibility.

"Mr. Bushnell, assistant superintendent of the service and meter department, says that if the property owner will have the wiring changed by an electrical contractor to provide for outdoor metering, the company will furnish the cabinet and reconnect the meter at no expense to the owner. This applies only to residences and apartment buildings of three or less apartments.

"Exceptions to this policy are rarely made, and then only in certain cases where there exist undesirable conditions in respect to accessibility of meters or other unusual circumstances."

An attempt is made to answer all questions submitted. If a question is of such a nature that it cannot be given an iron-bound answer, reference is made in the Corner to the inquiry, and reasons are given why it cannot be answered with finality. Rather than ignore a question, and give the impression that management is "ducking" it, the company believes it is better to convey the impression that top management is, after all, human and that questions which have their roots deep in precedent cannot be answered with a stroke of the pen.

As a result of several years' experience, certain standards have been set up for the column. "The answer should be easily readable," suggests Mr. Creutz, "should have a touch of humor now and then, should not preach and should conform to the literary style of the magazine. When necessary to give an unpopular reply, the wording should be courteous, clear, complete and to the point."

A very small percentage of inquiries received at Commonwealth Edison have fallen in the silly or "crank" category, feared by some managements in

anticipation of establishing a question column. Of 430 inquiries sent to the Answer Corner up to June 1 of this year, not more than half a dozen have been of this nature.

The limitation of publishing only questions of "general interest" prevents the column from filling up with local "gripes" or questions of interest only to small groups, or those to which answers could be obtained easily through routine inquiry. If such a query is signed, which is taken as evidence that the writer really wants to know, the question is either passed along to the proper department for action, or a general reply is made. Names attached to questions are never printed in the column. It is felt that their publication might unduly encourage a latent desire to see a name in print rather than reveal areas in which information is needed.

In case of a particularly difficult question, when it appears that a printed answer would be subject to misinterpretation, the Answer Corner prints an invitation for the author of the question, whoever he is, to drop in and talk the matter over.

No attempt has been made to measure the value of the Answer Corner. As long as a reasonable number of inquiries continue to come in, and the questions are serious and intelligent, management feels that the column is serving its purpose as one of the company's media for two-way communication. The processing of the questions through the various sources of information has proved a helpful device of itself for keeping top management informed of current problems that are bothering the employee group.

In many instances, the answers make important contributions to company policy. As has been noted, reprints of the column become a part of the management information binder. When through the column an employee is advised to see his supervisor who has a copy of a previous answer in his binder, this emphasizes the company's attitude that the prime source of company information to each employee is his supervisor. The latter, too, must keep his information up to date in order to be able to answer the inquiries.

The employee who originally contributed the suggestion of establishing an answer department in the *Round Table* wrote:

"A lot of field employees have little contact with the main offices, and when decisions reach these men they are colored with the opinion of the various persons along the line. There are a lot of questions on an employee's mind which he or she couldn't get an answer to without stepping on the immediate supervisor's toes. There should be some other channel for an employee to obtain an answer.

"If the employee questions are answered in a sincere, good-natured and possibly humorous manner, I believe it will lessen the friction that in some cases seems to exist. I don't believe the company has anything to hide from its employees, and its decisions are based on facts

that are self-explanatory when told in full. I believe therefore, the company would create an extremely large amount of good will among its employees by using this method of relieving their minds of the various questions and problems which may bother them."

In conducting the Answer Corner, a sincere attempt is made to adhere to these purposes.

GENEVA SEYBOLD

Division of Personnel Administration

Management Pioneers

(Continued from page 323)

In seeking ways to make work itself satisfying, the pioneers have been taking a critical look at traditional incentives. They have become conscious of an interesting fact: most of the rewards which we rely upon to maintain human effort in the direction of the organizational objective have no value for the satisfaction of needs until the employee leaves the job and goes elsewhere. Wages provide no satisfaction *at work* unless it be in the knowledge that one is earning more than some of one's fellows. Vacations cannot be taken on the job. The benefits of insurance, pensions, overtime premiums, lay-off policies, recreational programs and rest periods, to mention but a few, are benefits which satisfy needs only when people are off the job.

This combination of incentives which are means to satisfaction only away from the job, and practices with respect to efficiency which reduce human beings to the level of near-machines is an unbeatable one for making work unpleasant. Any human being would be well advised to escape it if he could. We are fond of saying that we long ago abandoned the commodity theory of labor. Perhaps we did, but it is possible that we have substituted merely an animate for an inanimate conception of labor, rather than a conception of labor as real people with capacities, attitudes and aspirations like our own. The management pioneers have become sensitive to these differences in conception, and are seeking ways to implement their insight in action.

One other fact of considerable importance which the pioneers take into account is what the sociologists call the "social structure" of industry. We have heard a great deal of talk in the past about the importance of dealing with employees as unique individuals. It has interested me to see how often those who were most vehement along these lines were also those who most feared and hated unionization. One might conceivably suspect that their motivation was not so much love of individuals as fear of their collective strength.

The individual *is* important; let us make no mistake about that. But individual human beings have

strong social needs. Wherever they are found, they congregate together and form intricate and complex social structures. Many such groupings are informal in the sense that they are not part of the organization chart. They are, however, powerful in the influence they exert on their members.

Every plant, whether unionized or not, consists of a complex of human work groups, and an elaborate status system within and among them. These groups have internal structure, leadership, powerful customs and standards. Moreover, and most important from management's point of view, they may operate either to help achieve the objective of a profitable enterprise or to defeat it. The surest way to encourage the defeat aspect is to ignore these groups, because then many management actions will threaten the existence of the groups and the satisfactions derived by individuals from membership in them. Quite naturally, the groups will seek to protect themselves from such threats, and in doing so will tend to defeat management's objective. The famous bank wiring room of the Hawthorne plant of Western Electric is a classic example of this phenomenon.¹

THE WORK ITSELF

I would like now to turn for a few moments to some methodological considerations. Before doing so, let me try to summarize the major points I have made so far. The pioneers in industrial management today recognize that the task of management is exclusively to accomplish the organizational objective of a profitable enterprise through the people who comprise the organization. They are aware that management's job is the job of personnel administration. Simultaneously, they have begun to recognize that in management's wide individual acceptance of responsibility for the effects of its actions lies the solution to the problem of increasing governmental control of industry. They have glimpsed the fundamental truth that in any human organization, central control becomes necessary to the degree that widespread individual responsibility is lacking.

They have acquired increasing understanding of human motivation and human behavior as a result of their greater concern with the problems of human relations. They are aware, today, that people cannot be coerced by fear or bribed by paternalistic practices into compliance with management's objectives. They are aware that their task is to create conditions which will develop active willingness among the members of the organization to work toward the objectives of the enterprise. They recognize that rewards and benefits which provide satisfaction outside of work are not enough, that work itself must be satisfying and meaningful, that managerial practices which produce

¹Elton Mayo's experiment with assembly workers to measure the influence of various factors and incentives in productivity.

technical efficiency are not effective unless they take account of people as human beings rather than as machines. They know that human beings are both individuals and members of elaborately structured but informal social groups, and that in the planning of management actions the nature of these groups must be taken into account just as surely as the nature of the individuals who comprise them.

These perceptions and attitudes of the industrial pioneers have profoundly affected their policies and practices. If, by any chance, you find these conceptions meaningful, you will naturally ask some questions.

The fact is that you know most of the answers to these questions. The methods of effective personnel administration are widely known today; detailed information about them is at hand in the literature for anyone who cares to read. Unfortunately, however, the mere grafting of a selected group of personnel policies onto an organization will not bring about a new pattern of human relations.

This is the mistake so many of us have made. We have bought ourselves a personnel department. We have purchased a variety of fancy plans. Then, when nothing changed materially, we have become disillusioned, and concluded that this whole business of personnel administration is just one more fancy and costly luxury.

The truth of the matter is that the real answers are to be found in the intangible things I have been discussing: in management's conception of the nature of its job, in management's ideas and beliefs about human behavior and motivation, in management's sensitivity to human needs, its confidence in human capacity and ability, its concern for the welfare of its fellow employees. These beliefs and attitudes and ideas—management's philosophy of management, if you like—will determine what policies management adopts, how they are developed and tailored to the particular situation, how they are introduced, and (most vital of all) how they are administered in the day-to-day give-and-take of the plant or office. Management's philosophy creates a climate within which successful human relations will flourish or wither, regardless of the particular personnel policies adopted.

RECURRENT THEME OF PARTICIPATION

There is no escape from this fundamental truth. All discussion of method starts here. This is one of the major reasons why progress in the art of management is slow. A large scale shift in management philosophy occurs generally only with the advent of a new generation of managers whose experience and training has given them different conceptions and attitudes from those of their predecessors.

Against this background of methodological considerations, I do want to discuss one theme which

recurs with remarkable frequency in reports of social science research on human relations, and of the experimentation of the management pioneers. Its significance, let me point out, depends upon whether it is imbedded in a philosophy of management or regarded as merely another fancy technique. In the latter case it may well be an actual detriment to successful human relations.

This recurrent theme is that of "participation." You will find it—with wide or limited emphasis—in McCormick's "multiple management," in Carey's "consultative supervision," in Given's "bottom-up management," in Barnard's "executive authority," and in a score of other well-known principles enunciated by management pioneers. You will see its implications and its applications in much recent research—for example in the work of the late Kurt Lewin and his associates in the Research Center for Group Dynamics, and in the work of Rensis Likert and his Survey Research Center, of Wight Bakke, of Burleigh Gardiner, of Joseph Scanlon, of Alexander Leighton, of Robert Merton, of Alex Bavelas, and dozens of other social scientists and consultants in many different companies and universities. Surely an idea which is so often reiterated must have more than casual significance.

The participative principle offers much to a management genuinely desirous of creating conditions which will encourage active collaboration toward the achievement of the objectives of the industrial enterprise. Used sincerely—and not as a manipulative device—it provides employees with opportunities to discover through experience rather than from verbal propaganda what our private enterprise economy is and how it operates. It provides opportunities to bring into the work situation a variety of "on the job" satisfactions. It offers a potential path through the maze of problems connected with technical efficiency in plant layout, process and work methods. It gives recognition to people as human beings, individually and in their group relations, and it brings dignity and meaning to their jobs. It can tap the creative imagination and inventive ingenuity for which we Americans are justly famous. It can banish fear and dependence by giving the members of the organization an opportunity to exert control over their own destinies and to acquire genuine understanding of what are usually felt to be mysterious and arbitrary management actions. It offers, *par excellence*, a way to encourage the development of genuine personal responsibility among all members of the organization, and with it the freedom which is always lacking when control is centralized.

Participation is not a single idea, it is a principle which can be applied in hundreds of ways. It is not a patent medicine which can be bought to cure industrial ills. It is a method which can be utilized

in the development, introduction, and administration of sound policies of personnel administration, and in the daily operation of the industrial enterprise. It is, incidentally, the principle which underlies our democratic society.

Many managements are fearful of the participative idea when it is suggested that it might be applied to the organization below them. (Parenthetically, the same managements feel quite differently about the control exercised by government over them.) They argue that employees will use it to force management to abdicate, or that it is obviously so inefficient that it could never work, or that workers and lower management are too limited in capacity to be able to make an effective contribution beyond their mere physical effort. However, the growing experience of the few pioneers, and the growing body of research evidence refutes these arguments with increasing force.

The fact which is not recognized by those who are fearful of participation is that almost any method in the field of human relations can be used either for good or for ill. As a tool, participation, like a carpenter's hammer, can be used to build or destroy. Most frequently it is misused by those who see it as a subtle way of manipulating others whom they regard as stupid or inferior. Interestingly, it backfires with monotonous regularity when it is so used. But, properly planned for, intelligently introduced, honestly and frankly utilized, the participative principle is a tool of undreamed-of constructive potentialities. If we can but learn to use it so, we will find, I believe, that there is a positive answer to the question: Can a private enterprise economy survive in the modern world? With it we can keep the door from closing on what Russell Davenport in the October *Fortune* [1949] so aptly termed: "The Greatest Opportunity on Earth."

* * *

Thus do I see the frontier. Necessarily I have ignored many of its important features, many increments of knowledge and technique by which the art of industrial management is able to progress. I have deliberately avoided discussion of the dense jungle which surrounds many of us today. I have avoided the "disaster areas" of industrial relations which are featured in the headlines of the daily press.

Instead I have attempted to direct your attention to the frontiers of this complex field. The pioneers of today—a few courageous managements and social scientists—are blazing trails which tomorrow many of the rest of us will follow. They point the way to changing patterns in human relations. We who are still in familiar and perhaps depressing territory have a difficult road ahead. But American management has not been noted for being unwilling to meet and overcome difficulties. I think we can buy stock in the future with confidence.

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In the Record

New Policies for Military Leave

The manpower mobilization drive dumps a new lapful of troubles onto the company personnel executive. The military-leave policies in force at the end of World War II, he has found, are inadequate for present-day problems. In fact, a survey conducted by THE CONFERENCE BOARD reveals that 80% of the companies cooperating have revised their military-leave policies since June, 1950. The big question of paying induction bonuses to those leaving for military duty receives a variety of answers in the account of the survey on page 378.

• • •

More Benefits, Workers, and Taxes

Old-age insurance—it ain't what it used to be. It's had a major overhaul and now more workers will receive higher benefits. The tax rate to pay for all this will be upped for both employer and employee.

Besides a simplified summary of the revisions to the federal Social Security program, our article "More for More," page 382, also presents a series of questions and answers to explain the new amendments in every-day language.

• • •

Wages that Escalate

John L. is against them. AFL still plugs for across-the-board increases. But despite these nontakers, the rush is definitely on for wages that escalate. The GM-UAW contract set the pattern but the mobilization program is responsible for the big boost that tying wages to the cost of living index is currently receiving. And it's not just unions that are buying this package—it's management too. And with good reason.

For a look at the why's and how's of escalator clauses in various industries (including excerpts from the contracts) turn to "Wages and Escalators" on the next page.

And while we are on escalators, a word on that all-important 1.14 figure, which turned up in the GM contract. For every 1.14 point rise or fall in the BLS consumers' price index, the GM employee's hourly rate is automatically increased or reduced one cent.

1.14 was not picked out of a hat; neither was it handed down from heaven. But it might seem so from the way it's been taken over intact in other union contracts. Actually, 1.14 has a sound mathematical basis—and you won't have to brush up on higher calculus to follow the reasoning. It's all stated clearly on page 375.

Before leaving the scene, let's consider briefly what is happening to the salaried worker. How does he get along in this escalator business without a union contract to back him up? It's a real problem for management and the ramifications are many. A report on the policies of seven companies (all with GM-type union agreements) regarding salaried workers appears on page 376.

• • •

The Old Merry-go-round

The wage earner may feel that he is on the merry-go-round, with the high cost of living, higher personal income taxes, and the likelihood of a wage freeze chasing each other, and him. But if Mr. Wage Earner just looks around, he will find he's in a preferred position compared with some groups who can't even get to ride. How the wage earner fares today may be seen in the articles prepared by specialists in the Statistical Division. Miss Caselli discusses earnings and hours starting on page 392, while Miss Fass, in her story beginning on page 394, covers the familiar cost of living.

• • •

"Daily Diary"

Everybody loves to read a diary. Samuel Pepys endeared himself to posterity with his brisk comments on the passing scene, and even the staidest individual among us can smile nostalgically at youth's memoranda. But a less personal record has been found, by at least one corporation, to hold a value far different from leisure reading.

The daily diary used by this firm consists of typewritten or longhand notes on the various problems of the day; everyone from foreman to general manager has a chance to get his story up the line. A description of the daily diary as an aid to better communication, as well as actual excerpts, may be found on page 379.

Wages and Escalators

Price rises and the manpower squeeze are forcing a swing to GM pattern

THE swing in wage negotiations today is to settlements patterned after the GM agreement.

One basic pressure—the mobilization program—has motivated this decided trend. Its implications are:

For Unions

- A continued rise in the cost of living is expected. Escalator clauses offer a means of getting wage hikes, fast.

- A wage freeze looms. Escalator clauses offer protection up to the edge of that freeze. What's more, some unions feel that escalator clauses may be allowed to ride through a freeze.

For Management

- The manpower squeeze is growing—competition for men is keener. The GM-type agreement represents a convenient way to keep pace with industry wage changes.

- A longer period of labor peace is essential for stabilized production. Through an escalator clause—tied to a long-term pact—management attempts to buy this labor peace.

ESCALATOR CLAUSE PATTERNS

The CIO unions are primarily responsible for the sharp shift to escalator wage agreements. The AFL is primarily interested in across-the-board increases. Very few AFL affiliates have signed escalator contracts. Despite John L. Lewis' continued condemnation of escalator-type agreements, at least two locals of the United Mine Workers, District 50, have signed such a contract.¹ Principal details of some of these agreements are contained in the table on pages 372-373.

Auto Industry Pattern—GM Clause

Most major auto manufacturers have snapped up the GM-type agreement. UAW contracts with Ford, Packard, Studebaker, and Kaiser-Frazer all conform to the formula of a one-cent adjustment for each 1.14 point change in the BLS index and the four-cent annual improvement factor. The famous paragraph 101 of the General Motors contract, which follows,

¹For wage programs of principal unions, see "Labor Press Highlights," p. 388.

supplied the basic pattern for practically all UAW escalator-type contracts:

Clause 1

(101) (a) The annual improvement factor provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, all employees covered by this agreement shall receive an increase of 4 cents per hour, effective May 29, 1950, and an additional increase of 4 cents per hour annually on May 29, 1951, May 29, 1952, May 29, 1953, and May 29, 1954, which will be added to the base rate of each wage classification.

(b) In addition, the cost of living allowance formula (which was provided for in the previous national agreement between the parties) will be continued, and such allowances shall be determined in accordance with the provisions of this paragraph 101.

It is agreed that only the cost of living allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living. Such an improvement will be an addition to the 4 cents an hour annual improvement factor provided for in 101(a).

(c) The improvement factor increases in base rates provided for in paragraph 101(a) shall be added to the wage rates (minimum, intermediary and maximum) for each day-work classification. The cost of living allowance provided for in paragraph 101(b) shall be added to each employee's straight time hourly earnings and will be adjusted up or down each three months in line with the cost of living allowance provided for in paragraphs 101(f) and 101(g).

(d) In the case of employees on an incentive basis of pay, the increases in base rates provided for in paragraph 101(a) shall be added to the earned rate of all incentive workers until local plant managements and the local unions reach an agreement for factoring this increase into the wage structure of incentive classifications. The cost of living allowance provided for in paragraph 101(b) shall be added to each employee's hourly earned rate and will be adjusted up or down each three months in line with the cost of living allowance provided for in paragraph 101(f) and 101(g).

(e) The cost of living allowance will be determined

in accordance with changes in the "Consumers' Price Index for Moderate Income Families in Large Cities—All Items," published by the Bureau of Labor Statistics, Department of Labor (1935-1939=100), and hereafter referred to as the BLS consumers' price index.

(f) The cost of living allowance as determined in paragraph 101(b) beginning with the first pay period following June 1, 1950, shall continue in effect until the first pay period beginning after September 1, 1950. At that time, and thereafter during the period of this agreement, adjustments shall be made quarterly at the following times:

<i>Effective Date of Adjustment</i>	<i>Based Upon</i>
First pay period beginning on or after:	BLS consumers' price index as of:
June 1, 1950, and at quarterly intervals thereafter to March 1, 1955.	April 15, 1950, and at quarterly intervals thereafter to January 15, 1955.

In no event will a decline in the BLS consumers' price index below 164.7 provide the basis for a reduction in the wage scale by job classification.

(g) The amount of the cost of living allowance which shall be effective for any three-months period as provided in paragraphs 101(b) and 101(f) shall be in accordance with the following table:

<i>BLS Consumers' Price Index</i>	<i>Cost of Living Allowance, in Addition to Wage Scale by Job Classification</i>
164.6 or less.....	None
164.7-165.8.....	1¢ per hour
165.9-166.9.....	2¢ per hour
167.0-168.1.....	3¢ per hour
168.2-169.2.....	4¢ per hour
169.3-170.3.....	5¢ per hour
170.4-171.5.....	6¢ per hour
171.6-172.6.....	7¢ per hour
172.7-173.8.....	8¢ per hour
173.9-174.9.....	9¢ per hour
175.0-176.0.....	10¢ per hour
176.1-177.2.....	11¢ per hour
177.3-178.3.....	12¢ per hour
178.4-179.5.....	13¢ per hour
179.6-180.6.....	14¢ per hour
180.7-181.7.....	15¢ per hour
181.8-182.9.....	16¢ per hour
183.0-184.0.....	17¢ per hour
184.1-185.2.....	18¢ per hour
185.3-186.3.....	19¢ per hour
186.4-187.4.....	20¢ per hour
187.5-188.6.....	21¢ per hour
188.7-189.7.....	22¢ per hour

and so forth, with one cent adjustment for each 1.14 point change in the index.

(h) The amount of any cost of living allowance in effect at the time shall be included in computing overtime premium, night-shift premium, vacation payments, holiday payments, and call-in pay.

(i) In the event the Bureau of Labor Statistics does not issue the consumers' price index on or before the beginning of the pay period referred to in paragraph 101(f), any adjustments required will be made at the beginning of the first pay period after receipt of the index.

(j) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures for the BLS consumers' price index for any base month.

(k) The parties to this agreement agree that the continuance of the cost of living allowance is dependent upon the availability of the official monthly BLS consumers' price index in its present form and calculated on the same basis as the index for April, 1950, unless otherwise agreed upon by the parties.

(l) The memorandum of understanding between the parties dated August 24, 1949, shall become Appendix C and will continue in full force and effect during the life of the May 29, 1950, agreement, unless terminated earlier in accordance with the provisions of said memorandum.

The memorandum of understanding mentioned in the last section of the General Motors clause provides:

Clause 2

1. To compensate for the understatement in the rent component of the BLS consumers' price index (all items), hereafter 0.8 points shall be added to the official BLS consumers' price index (all items) upon which the cost of living allowance is based pursuant to the terms of paragraph 101, and its subsections, of the national agreement between the parties dated May 29, 1948.

2. In the event the Bureau of Labor Statistics factors the so-called "new unit" bias in the rent component into the consumers' price index (all items), or otherwise compensates for it, this agreement is automatically cancelled, effective as of the date the consumers' price index reflects such change.

(Text continued on page 374)

ESCALATOR CLAUSE FINDER

<i>Types</i>	<i>Clause No.</i>
Allis-Chalmers.....	4
General Motors.....	1
General Electric.....	5
Standard Register.....	6
Dow Chemical.....	7
Textron.....	8

Annual Improvement Factors

3 cents per hour.....	4, 6
4 cents per hour.....	1
5 cents per hour.....	7
5% per hour.....	8
Reopening in lieu of annual increase.....	6

Cost of Living Formulas

1¢ for 1.14 change.....	1, 5, 8
1¢ for 1 pt. change.....	7
1¢ for 1.25 change.....	4

Automatic Adjustments

Quarterly.....	1, 7, 8
Semiannually.....	4
Once at reopening.....	5

Change in Computing BLS Index

Conversion factor.....	7
Rent component.....	2, 3
Effect of revision in index.....	1, 4, 7

Recent Escalator and Annual Improvement Type Agreements

Company and Union	Contract Dates	Duration	Annual Improvement Factor	Cost of Living Formula	Recent Wage Increases	Possible Loss If Cost of Living Declines
CIO						
<i>Auto Workers—CIO</i>						
Allis-Chalmers..... UAW-CIO	Signed 6/30/50 Effective 7/1/50	5 years—reopening 7/52	3¢ per hour	1¢ for each 1.25 point change in BLS index. Semiannual adjustments	3¢ per hour effective 7/1/50	None
Doehler-Jarvis Corp..... UAW-CIO	Signed 8/14/50 Effective 8/14/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustments	4¢ per hour effective 5/1/50. 5¢ cost of living increase 9/1/50	8¢
Ford..... UAW-CIO	Signed 9/3/50 Effective 9/1/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	8¢ per hour cost of living increase effective 9/1/50	8¢
General Motors..... UAW-CIO	Signed 5/29/50 Effective 5/29/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	4¢ per hour effective 5/29/50. 5¢ cost of living effective 9/1/50	8¢—No decline below 164.7
Kaiser-Frazer..... UAW-CIO	Signed 9/18/50 Effective 9/19/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	4¢ plus 8¢ cost of living increase effective 9/4/50	8¢
Mack Truck..... UAW-CIO	Signed 9/16/50 Effective 9/18/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	7¢ average increase effective 9/18/50	None—No decline below 172.5
Packard..... UAW-CIO	Signed 8/28/50 Effective 8/28/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	4¢ granted 8/28/50. 5¢ cost of living increase 9/1/50	5¢—No decline below 168.1
Studebaker..... UAW-CIO	Signed 9/9/50 Effective 9/4/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	4¢ plus 5¢ cost of living increase effective 9/4/50	8¢—No decline below 164.7
<i>Electrical Workers (IUE-CIO)</i>						
Allis-Chalmers..... IUE-CIO	Signed 7/9/50 Effective 7/10/50	5 years—reopening 7/52	3¢ per hour	1¢ for each 1.25 point change in BLS index. Semiannual adjustment	3¢ per hour increase effective 7/10/50	None
General Electric..... IUE-CIO	Signed 9/21/50 Effective 9/15/50	1 year	None	Increase only —1¢ for each 1.14 point change in BLS index. Adjustment on 3/15/51 only, based on increase over 9/15/50 index	10¢ increase over June 30 levels effective 9/15/50 (includes 3% increase of 7/1/50)	None
Monsanto Chemical..... (Springfield, Mass.) IUE-CIO	Signed 7/18/50 Effective 7/18/50	3 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	8¢ per hour increase effective 7/18/50	4¢—No decline below 164.0
Seegar Refrigerator Co..... IUE-CIO	Signed 6/17/50 Effective 6/17/50	2 years	4¢ per hour	None	5¢ per hour effective 6/19/50	None
Sperry Gyroscope..... IUE-CIO	Not available	3 years	4¢ per hour	1¢ for each 1 point change in BLS N. Y. City index. Quarterly adjustment	5¢ per hour effective 4/15/50	None—No decline below 167.0 (N. Y. City index)
Standard Register..... IUE-CIO	Signed 7/7/50 Effective 6/5/50	2 years—conditional reopening 5/31/51	3¢ per hour	None—but if G.M. clause provides for more than 3¢ increase, annual improvement may be waived for reopening	3¢ per hour effective 5/31/50	None
<i>Chemical Workers—CIO</i>						
Monsanto Chemical..... (Trenton, Michigan) Chemical Workers, CIO	Signed 8/15/50 Effective 8/10/50	3 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	5¢ per hour increase effective 8/10/50	No loss during first year. Maximum net loss possible thereafter, 4¢. No decline below 170.2

Recent Escalator and Annual Improvement Type Agreements—Continued

Company and Union	Contract Dates	Duration	Annual Improvement Factor	Cost of Living Formula	Recent Wage Increases	Possible Loss If Cost of Living Declines
Parke-Davis..... Chemical Workers, CIO	Signed 7/11/50 Effective 5/1/50	3 years	4¢ per hour	1¢ for each 1.14 point change in BLS Detroit index. Quarterly adjustment	2¢ per hour effective 5/1/50. 3¢ cost of living increase effective 10/2/50	6¢ — No decline below 171.4 (Detroit index)
Reichhold Chemicals..... (Detroit Plant) Chemical Workers, CIO	Signed 6/29/50 Effective 7/1/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	15¢ per hour effective 7/1/50	8¢
Other CIO						
Detroit Breweries..... Brewery Workers, CIO	Signed 7/24/50 Effective 4/1/50	5 years	2¢ per hour for 2 locals and 3½¢ per hour for 1 local	1¢ for each 1.14 point change in BLS Detroit index. Quarterly adjustment	3¢ per hour increase effective 4/1/50. 1¢ cost of living increase 7/1/50. 3¢ cost of living increase 10/2/50	4¢ — No decline below 169.5. (Detroit index)
Lionel Corporation..... Playthings, Jewelry Workers, CIO	Signed 6/28/50 Effective 5/1/50	3 years	2¢ per hour	None	5¢ per hour effective 5/1/50	None
Textron..... Textile Workers, CIO	Signed 9/13/50 Effective 10/1/50	3½ years—reopening 10/1/53	5% increase	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	10% per hour increase effective 10/1/50	None
AFL						
Four Wheel Drive..... UAW-AFL	Signed 7/31/50 Effective 7/31/50	3 years—reopening by company only if index drops	4¢ per hour	1¢ for each 1.25 point change in BLS index. Must be at least 3 point change. Quarterly adjustment	5¢ per hour increase effective 7/24/50	None—No decline below 170.2
Motor Wheel Corp..... UAW-AFL	Signed 8/28/50 Effective 8/28/50	5 years	4¢ per hour	1¢ for each 1.14 point change in BLS index. Quarterly adjustment	6¢ plus 4¢ cost of living increase effective 8/28/50	4¢
Oldberg Manufacturing Co..... UAW-AFL	Signed 7/25/50 Effective 7/17/50	5 years—reopening if cost of living changes radically	3¢ per hour	None	3¢ per hour effective 7/17/50	None
Winthrop-Stearns..... Chemical Workers, AFL	Signed 6/7/50 Effective 6/7/50	3 years	4¢ per hour	None	4¢ per hour increase effective 6/7/50	None
Rock River Cotton..... Textile Workers, AFL	Signed 6/1/50 Effective 6/1/50	1 year	None	1¢ for each 1.67 point change in BLS index. Quarterly adjustment	3¢ per hour increase effective 6/1/50	None—No decline below 170.2
Syracuse Chilled Plow Co..... Federal Labor Union, AFL	Signed 9/8/50 Effective 9/4/50	5 years	3% per hour	1% for each 1% or 1.70 point change in BLS index	3% increase plus 4% cost of living increase effective 9/4/50	4%
Independent						
Coleman Co..... Ind. Appliance Workers	Signed 7/20/50 Effective 7/15/50	2 years—reopening by mutual consent	None	1¢ for each 1.25 point change in BLS index. Quarterly adjustment	8¢ per hour effective 7/15/50	Not available
AVCO..... Machinists, Ind.	Signed 6/7/50 Effective 6/1/50	4 years—reopening 6/52, 6/53	4¢ per hour in 1951	None	6¢ per hour increase effective 6/5/50	None
Veeder Root Mfg. Co..... Machinists, Ind.	Signed 9/1/50 Effective 7/12/50	2 years	4¢ per hour	1¢ for each 1.24 point change in BLS index. Quarterly adjustment	4¢ increase effective 7/10/50. 4¢ cost of living increase effective 9/4/50	None—No decline below 172.4
Diamond Alkali..... UMW-Dist. 50	Signed 9/26/50 Effective 7/22/50	3 years	5¢ per hour	1¢ for each 1 point change in BLS index. Quarterly adjustment	10¢ per hour increase effective 9/27/50	None — First adjustment based on 9/15/50 index
Dow Chemical..... UMW-Dist. 50	Signed 7/12/50 Effective 7/3/50	3 years	5¢ per hour	1¢ for each 1 point change in BLS index. Quarterly adjustment	5¢ per hour effective 7/3/50	None — (Cost of living increase paid as quarterly bonus)

The new Ford agreement has included this particular rent factor provision in its escalator clause:

Clause 3

Until such time as the Bureau of Labor Statistics shall factor the so-called "new unit bias" in the rent component into the index, or shall otherwise compensate for it, 8/10ths points shall be added to the official index upon which the cost of living allowance is based for the purpose of applying the above table.

Allis-Chalmers Clause

While the GM wage provisions are the dominant

pattern in UAW-CIO contracts, some variations have developed. The principal one is contained in UAW's agreement with Allis-Chalmers. Its cost of living formula is one cent for each 1.25 point change in the BLS index. Wage adjustments are made semiannually, rather than quarterly. While the GM annual increase is 4 cents, the Allis-Chalmers' annual increase is 3 cents. And unlike the GM contract, this five-year contract may be reopened for wage discussions after two years. The pertinent clauses of this contract are given on page 397.

(Continued on page 397)

Auto Big Three Stay Together

Rapid fire increases in the automotive industry have been the rule for the past few months. In an area where manpower competition is especially keen, maintaining pace with the rates set by any one of the leaders may be of prime importance. This is one

of the reasons why Chrysler and Ford gave pay hikes not called for by existing contracts following GM's five cents cost of living boost. The extent to which the Big Three of the auto industry have maintained pace since 1940 is shown below.

Chronology of General Wage Increases¹ Since 1940 in Chrysler, Ford, and General Motors

Year	CHRYSLER CORP.	FORD MOTOR CO.	GENERAL MOTORS CORP.
1940	Dec. 19 2 cents per hour	.....	May 1 Average of 1½ cents per hour (equalization fund)
1941	June 1 8 cents per hour	June 20 No general wage increases but contract provided that rates would be paid "in the several classifications at least as high as those paid by the major competition in its respective industry." (Automobiles, cement, glass, steel, and tires.) Resulting increases averaged approximately 19 cents per hour	April 28 10 cents per hour
1942	Oct. 2 4 cents per hour retroactive to June 1, 1942		April 28 4 cents per hour
1946	Jan. 28 18½ cents per hour	Feb. 26 18 cents per hour retroactive to January 5, 1946	Mar. 19 18½ cents per hour
1947	April 28 11½ cents per hour	Aug. 21 11½ cents per hour retroactive to May 1, 1947	April 24 11½ cents per hour
1948	May 31 13 cents per hour	July 29 13 cents per hour retroactive to July 16, 1948	May 29 3 cents per hour plus additional 8 cents per hour cost-of-living adjustment, only 5¢ of which could be lost through cost-of-living decline. Contract further provided for annual increase of 3¢ on May 29, 1949, and quarterly wage adjustment based on formula of 1¢ per hour adjustment for each 1.14 pt. change in BLS consumers' price index. Net result of May 29, 1948, contract, as of May 29, 1950, was 9¢ added to base rate and 3¢ added for cost of living
1949	.....	Sept. 28 No general increase. Pension plan (\$100 per month including Social Security) and insurance benefits	
1950	May 4 No general increase. Pension plan (\$100 per month including Social Security) and insurance benefits Aug. 25 10 cents per hour	Sept. 3 General cost-of-living increase of 8 cents per hour retroactive to September 1, 1950. Adopted General Motors cost-of-living formula. Annual increase of 4¢ per hour effective each June 1, from 1951 through 1954. Upped pension to \$125 per month	May 29 4 cents per hour (New annual increase effective for 5 years). Cost-of-living plan continued. Pension Plan (minimum \$100 per month including Social Security, maximum \$45 per month in addition to Social Security) Sept. 1 5 cents cost-of-living increase

¹Fringe items, such as holidays, vacations, call-in pay, excluded. Also excluded are additional increases to skilled employees.

1.14—Its Meaning in the GM Contract

THE formula of the cost of living allowance in the current General Motors union agreement is well known. For every 1.14-point rise or fall in the BLS consumers' price index, the GM employee's hourly rate is automatically increased or reduced one cent.

Not so generally known, however, is the origin of the figure 1.14. Actually there is nothing mystic about the number, nothing mysterious about its derivation. It can easily be explained by a consideration of the underlying principle of automatic cost of living or "escalator" clauses.

General Motors and the UAW-CIO first agreed upon the use of the cost of living principle in their contract signed May 29, 1948. It was the intent of the parties to protect the employee against changes in the cost of living and hence in his real wages. One way to accomplish this was to provide that whenever the consumers' price index rose by a given percentage, the employee's hourly rate would be upped by the same percentage.

Suppose, for example, that the consumers' price index is 150 and the average hourly rate of the employees at the time of entering negotiations is \$1.50. Then if the cost of living index rises 15 points, or 10%, the average hourly rate would have to be increased 10%, or 15 cents, to keep in step with the rise in living costs. The point rise or fall of the index for each one cent rise or fall of the wage rate would be 1.0.

However, if at the time of making the agreement the index is 200 and the wage rate is \$1.00, a ten-point rise in the index would call for a 5-cent upward adjustment. In each case the rise is 5%. The point rise or fall in the index for each penny of wage adjustment would be 2.0.

The ratio of index to wage rate may thus be regarded as a fraction, with the index the numerator and the wage rate the denominator. If the numerator is changed, the denominator must be adjusted to keep the value of the fraction constant.

This is exactly the principle that GM and the UAW followed. They took the latest published index figure (April, 1948) and divided it by the current average hourly rate of GM employees.¹ The quotient was 1.14. Hence, if wages are raised one cent for every 1.14-point rise in the index, the employee's position percentage-wise is unchanged.

It is interesting to note that some agreements of

¹The index was 169.3; GM's average hourly rate, according to published reports at the time, was \$1.491.

other companies signed since GM's May, 1950, contract renewal have automatic cost of living allowance clauses using the identical 1.14 increment value. In embracing the cost of living allowance principle, these agreements have taken over the GM apparatus but have apparently lost sight of its proper use. The increment value should represent the ratio of the index to the company's average hourly rate at a given point in time, usually the date of signing the contract.

ARE THEY PAYING MORE?

What would be the effect if, instead of using the figure 1.14, these companies computed their own increment value? If the firm's average hourly rate is less than GM's, the denominator of the index-over-wage-rate fraction is smaller and therefore the increment value is greater. It takes a larger index rise to bring about a given wage increase. In other words, the firm in adopting the 1.14 value pays a larger cost of living allowance than it might want to pay.

To illustrate this point, suppose Company X is engaged in negotiations on October 1, 1950. As of that date, the latest available index, that of August 15, is 173.8 (including 0.8 point for the "new unit" bias in the rent component). Assume that the parties have accepted the cost of living allowance principle and have agreed to fix August 15 as the index base date. If the company's average hourly rate is \$1.52 or less, it can be shown by simple division that the company would be overcompensating for the cost of living rise if it adopted GM's 1.14.

The truth may be that in some of these post-GM agreements, especially those to which the UAW-CIO is a party, the use of the 1.14 value is deliberate. It may have been the desire of one or both of the parties (the union for political reasons, the management to preserve relative competitive costs) to have the company's wage movements synchronized with those of the giant of the industry. However, this explanation has less application to non-UAW agreements outside the auto industry. And it does not explain the practice of tying wage rates to 1.14-point movements, not of the national index but of the index of a particular city.

At any rate, the correct application of the escalator principle calls for the use of an increment value derived from the current cost of living index and the current hourly wage rate in the company concerned.

—H. S. B.

The Salaried Employee and the GM-type Agreement

PRESS announcements of new wage settlements often conclude, seemingly as an afterthought, with: "Increases are also being granted to the salaried personnel."

Actually, managements have found that the problem of what to do about salaries, after an adjustment in wages has been decided upon, is one which calls for careful thought from several angles. Should the increase be given to every salaried employee—without exception and without regard to individual merit? Should the amount of the individual wage increase given to the unionized man be regarded as the minimum which should be granted to the salaried man, who is typically unorganized? If so, should identical formulas be employed or should there be a sliding scale for the salaried personnel, increasing at the upper levels? At what level should the formula cease to apply? What should be the timing of the announcement and the effective date of the salary adjustments?

These questions take on even greater importance if the management has agreed to a so-called General Motors type of contract, with provisions for an annual improvement factor and a cost of living allowance. For one thing, such agreements usually run from two to five years. And the policy adopted with respect to salary adjustments the first year can become a precedent for the succeeding years.

To learn what policies have been adopted in concrete situations, THE CONFERENCE BOARD addressed inquiries to seven companies which have concluded GM-type agreements in recent months. The companies were asked whether they give annual improvement factor increases and cost of living adjustments to their salaried employees and, if so, how such adjustments compare with the adjustment granted the production workers. A summary of the replies follows:

Two of the seven companies report that they do not make adjustments for annual improvement or for cost of living, as such, in their salary rates. One states simply: "We administer salary rate changes independent of union contracts, and we do not have a cost of living method in our salary administration."

The other company reports:

"We do not make corresponding adjustments to salaried employees, at the time that these become effective for our wage-basis employees represented by the union.

"This company follows a policy at the beginning of each year of making adjustments to salaried employees which cover certain salary elements, but which are not specifically defined as so doing. Among these are:

"a. General increases, which could be related to the annual improvement factor, since it derives from the prosperity of the company.

"b. An increase to cover the anticipated rise in the cost of living.

"Merit increases, based on merit rating, are scheduled twice a year."

The remaining five of the seven companies grant annual improvement and cost of living adjustments to salaried personnel on the same general basis as to the organized employees. The details are as follows.

ANNUAL IMPROVEMENT FACTOR

One company which agreed to a 3 cents an hour improvement increase for its eligible employees makes adjustments in salaries according to the following schedule:

Monthly Salary Range	Amount of Increase Per Month
\$130 to 249	\$5.00
250 to 349	6.00
350 to 499	8.50
500 to 624.99	11.00

Another company points out that its 4 cents an hour improvement increase for hourly employees was approximately 2½% of the average hourly rate. Accordingly it has adjusted salaries by approximately the same percentage, with a minimum of \$7.50 a month. The full schedule is as follows:

Monthly Salary Range	Amount of Increase Per Month
Up to \$250	\$7.50
250.01 to 350	10.00
350.01 to 450	12.50
450.01 to 600	15.00

A third company reports simply that its salaried employees are granted a flat \$7 a month. In addition, they are eligible in the coming year to receive automatic progression increases and merit increases, for which the hourly employees are not eligible.

A fourth company pays a flat \$1.60 a week to all its nonsupervisory salaried employees. Assistant foremen receive \$10 a month, foremen \$12.50, and general foremen \$15.

These four companies set ceilings on eligibility for improvement factor increases. One company has fixed upon \$7,500 a year. The figure was arbitrarily chosen and has no special significance. Another has set the upper limit at \$7,200 a year. Employees receiving over \$7,200 and less than \$7,800 are considered for individual merit adjustments. Those receiving \$7,800 and over are eligible for consideration for executive bonus. A third company has set a maximum of \$9,000 which is the highest salary rate covered by the company's schedule of salaried brackets. Salaried positions receiving more than \$9,000 are not classified and are ineligible for the improvement increase.

A fourth company extends the increase to all salaried employees except those on the executive payroll, to whom the existing executive bonus plan applies.

The fifth company has not yet worked out the details of its plan. It reports:

"It is our intention to grant at least the equivalent of the improvement factor each year to the salaried employees. It may be granted in the form of some other benefit. And it may be determined to grant it in a salary equivalent for one or more of the years covered by the present hourly agreement. This will be determined each year and the effective date will undoubtedly be the anniversary date of the hourly improvement factor increase."

COST OF LIVING ADJUSTMENT

As previously stated, five of the seven reporting companies pay cost of living allowances to their salaried employees. The amount is periodically increased or decreased with changes in the cost of living index.

An examination of the annual improvement factor increases described above shows that they tend to be applied to the salary structure on a percentage basis. The amount of increase is larger at the higher levels. The cost of living allowance, however, in these five companies is a flat amount. It does not vary with the base salary of the individual.

The company's union agreement in each case provides that for a specified amount of change in the index the hourly wage will be increased or decreased a given number of cents per hour. The changes are usually made quarterly. The five companies tie changes in the allowance for salaried employees to changes in the allowance for the hourly employees. Thus, if the allowance for the latter is increased one cent an hour, the allowance for salaried employees is automatically upped a corresponding number of dollars a month. The exact amount varies slightly among the five companies.

A one cent an hour upward adjustment for a production worker on a forty-hour schedule amounts to 40 cents a week, or \$1.733 a month, or \$5.20 a quarter. Two of the five companies pay the salaried employee exactly the same allowance as the hourly employee—\$5.20 a quarter for each one cent increase in hourly

rates. Two of the companies round off the figure of \$5.20 downward to \$5.00 a quarter; one does the rounding off upward to \$5.25.

The upper limit of eligibility for cost of living allowances in the five companies is fixed at approximately the same level as for annual improvement factor increases, and for the same reasons. The ceiling in the five companies is \$7,500, \$7,800, \$8,100, \$9,000, and "executive payroll."

PAYROLL PROCEDURE

Details of payroll procedures in disbursing the cost of living allowance vary considerably. Two of the companies pay it by separate check; the other three show it as a separate item on the stub of the regular pay check.

Two of the companies pay the allowances at the close of the applicable calendar quarter; one pays at the beginning. A fourth pays its allowances throughout the quarter on regular pay days: semimonthly for salaries up to \$500 a month, and monthly for those over \$500. A fifth pays the allowance to nonsupervisory employees on their regular biweekly pay day; supervisory employees receive it at the end of the quarter.

HERBERT S. BRIGGS

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Management Book Shelf

Labor Relations in the Automobile Industry—A bibliography of books and pamphlets, official publications, court and labor board decisions, and articles in periodicals that trace the development of the automobile industry's labor relations from its first contact with unions through the first four months of 1949. *Compiled by Roberta McBride, Detroit Public Library, 5201 Woodward Avenue, Detroit 2, Michigan, \$1.00.*

Economic Power of Labor Organizations—(Parts 1, 2 Hearings before the Committee on Banking and Currency, United States Senate, 81st Congress.) The complete testimony taken at the hearings held in July and August, 1949, on "effect of economic power of unions upon banking and credit policies, small business enterprises, consumers' prices, and national economic stabilization." Includes statements of mine operators and union spokesmen on economic effects of United Mine Workers' industrial and bargaining practices. Supporting documents included show chronologies of United Mine Workers' wage gains, changes in pay practices, and work stoppages. Tables also show trends in coal production and trends in consumption of competing fuels. One section of the report gives sample union health and retirement plan provisions. *Available from United States Senate Committee on Banking and Currency or United States Government Printing Office, Washington, D. C.*

Military Leave and the Bonus Question

WITH the military services aiming at three million men under arms, the problem of company military-leave policies is likely to have high priority with personnel executives for some time to come. Since June, the impact of manpower mobilization has been felt directly by many companies. But in most cases, it was not until August and September that definite policies began to evolve.

So many new problems—such as pensions, group insurance, and hospitalization—must be integrated into the over-all military-leave policy that, for most companies, whatever had been on the books since V-J day is incomplete.¹ Since June, 1950, approximately 80% of the companies cooperating in a Conference Board survey report that they have revised their military-leave policies. Preliminary information from this survey is primarily on the question of induction-bonus payments to employees entering the service. Since these findings are based on only the first 150 replies, approximate figures are given.

GENERAL POLICIES

- *Compared to World War II*—Current military-leave policies are about as liberal as those followed in World War II with three out of four cooperators. Greater liberality is reported by 15%. Most of this is accounted for by new postwar benefit plans which are being supported in whole or in part during the military leave. The 10% of cooperators who are being less liberal feel that the current situation doesn't yet dictate going "all out" for the veteran.

- *Who Is Covered?*—About 98% of cooperators make their policies applicable to both salaried and hourly nonprobationary employees alike. Only a few companies are less liberal for the hourly paid people, and this distinction is made exclusively in the area of induction-bonus payments.

- *Include the Merchant Mariners?*—Most cooperators feel that their military-leave policies at this time should pertain only to those employees entering the armed forces as defined in the selective service statutes. However, about 20% of cooperators are also making all their benefits applicable to employees entering the Merchant Marine.

- *What About the Volunteer?*—Only about 5% of cooperators distinguish between volunteers and those drafted or recalled when it comes to granting benefits

¹A check list of items to be considered in writing a military-leave policy appears in the September, 1950, *Management Record*, pp. 324-325.

beyond those required by the law. The 95% seem to believe that no matter how a man enters the armed forces, he is entitled to equal treatment.

BONUS PAYMENTS

- *How Many Are Paying?*—Approximately two out of three cooperators are paying some type of separation bonus to the departing employee, over and above any accrued vacation pay. The remaining 35% are making no payments whatsoever other than earned vacation pay.

- *Effect of Company Size*—The size of a company may have something to do with its policy on paying or not paying an induction bonus. At this preliminary stage in the analysis, it appears that only about 50% of those companies with less than 1,000 employees are paying a bonus; about 55% of those with from 1,000 to 5,000 employees are paying, while 80% of those companies with 5,000 or more employees are paying.

- *Executive Bonuses*—On the question of induction bonuses for executives, about 90% of cooperators say that regular salaried employees and executives are treated similarly. The remaining 10% report that bonus payments to executives will be handled on an individual basis.

- *Bonus Is Graduated*—Sixty per cent of the bonus payers graduate the amount according to length of service. The formulas used show extremely wide variations. Most, however, consist of two steps. The two most commonly used graduated bonuses are: one week's pay for six to twelve months' service and two weeks' pay for over one year's service; two weeks' pay for from six to twelve months' service and four weeks' pay for over one year's service. Few companies carry the graduated scale beyond the employee group having two years' or more company service. Payments of bonuses amounting to more than three months' pay for even those with long service are rare.

- *Bonus Is Uniform*—Two out of five compute the amount uniformly for those employees with a minimum of six or twelve months' service. The four amounts most frequently granted are, in order, one month's pay, two weeks' pay, difference between company and military pay for three months, and one week's pay.

- *What Is a Week's Pay?*—Where the bonus for

hourly paid people is defined in terms of a "week's pay," about 85% of cooperators are basing this pay on a forty-hour week. The remainder are basing it on the average weekly hours worked at the time of the employee's departure.

• *Computing Bonus for Incentive Workers*—In computing the induction bonus for incentive workers, about three out of five base the bonus on the employee's base rate. The remaining 40% base it on his average hourly earnings.

• *Shift Premiums*—Where shift premiums are in effect, about 65% of the cooperators exclude the shift

differential, while the remainder include it in the military bonus.

• *Continuation Allowances to Dependents*—Continuation of partial salary payments to the dependents of employees in the service is being granted by less than 5% of the cooperators. And this group consists largely of companies in the petroleum industry.¹

JOHN J. SPEED

Division of Personnel Administration

¹The continuation allowance paid by the Standard Oil Company of New Jersey is described in the September, 1950, *Management Record*, pp. 360-361.

A Tool for Communication:

Daily Diary

AN AID to better communication, called the Daily Diary, has been developed by one large corporation and used with satisfaction at all management levels for a number of years. Those who have had experience with the diary plan report that it is as effective as it is easy to use.

The Daily Diary is an informal communication plan, consisting of longhand or typewritten notes on various day-to-day problems that are sent up the line one or more times a week to keep supervisors and executives in close touch with what is going on in their work units.

An example will show how it works in the following organizational setup. Seven foremen report to the superintendent of the oil department of one unit of a corporation; the superintendent reports to the company's production manager, who in turn reports to the general manager. Each week, the superintendent lets the production manager know what has happened in his work group through his report, or diary. This consists of notes he has made during the week and also of notes supplied him by his seven foremen. Five of the foremen ordinarily submit longhand diaries of one or two pages each. The others, who dislike writing, make oral reports to the superintendent. He assembles the seven reports and his own notes, calls his secretary, and dictates his Daily Diary.

All the reports are free and easy, no attempt being made to produce polished essays. The diaries are written for practical reasons and they need only be clear and to the point. Sample topics in the superintendent's report cover production changes, machine breakdowns and disposition of spoilage.

The superintendent has a number of extra copies of his diary made and these are passed to his foremen.

Thus, those who report to him get the full picture which was prepared primarily for the production manager. Some supervisors send their diaries upward only.

Asked what he thought of the diary idea, the superintendent replied: "For my money, it's the ideal method of keeping people informed. You have a permanent record and you can always refer back if some question comes up. A foreman, or anyone else, is going to be pretty sure of his facts if he knows that his reports are going higher up, and perhaps be compared with reports from other units. Of course, we see each other frequently and talk things over and there are other written records of a different nature, but I find the diary indispensable."

The Daily Diary is used in a number of the companies which form the corporation, but some units have not adopted the plan. One corporation vice-president, separated by hundreds of miles from his general managers, hears from each of them weekly or more often. He says the diaries keep him in close touch with all field problems, supplementing the more formal reports, telephone conversations, and visits back and forth.

He says that the diary plan has the following advantages:

- It is a memory aid
- It teaches accuracy
- It is easy to prepare as there is no prescribed form to follow
- It clarifies the writer's thinking, and helps him summarize his opinions
- It gives the individual an opportunity to get his story up the line
- It organizes the flow of memoranda

- It eliminates the need for detailed, historical reports on a monthly or quarterly basis

SOME ACTUAL DIARY REPORTS

The following series of excerpts, edited only to conceal identities, concern some events which occurred at the local plant level one week in January, 1950. Diaries including personnel matters were selected because such matters are common to all companies. In this situation, it will be noted, the personnel manager, the production manager and the controller report directly to the general manager. He, in turn, reports to the operating vice-president at the headquarters office of the corporation.

DIARY EXCERPTS TO PERSONNEL MANAGER FROM MR. Q, SUPERVISOR OF EMPLOYMENT AND RECORDS—1/20/50

At the request of Mr. S, I prepared management inventory forms for GP and NK for transmittal to New York. Turned them over to Mr. S who will send them to the insurance division.

DIARY EXCERPTS TO GENERAL MANAGER FROM MR. S, PERSONNEL MANAGER—1/22/50

Made a request of HV that his department (methods and standards) calculate the new piece rate for the P & Q against the 5 cents an hour increase.

Meeting with M, MC, AM and CP. [M is business agent for one of the two unions in the plant.] M reported that his group was ready to accept, but that in the next negotiations they wanted to negotiate separately. They wanted us to compare the checker at one of the sales warehouses with our first-class shipper, their point of view being that the men who are doing the job at the sales warehouse and some of our men know each other and they feel that the jobs are alike. The men at the sales warehouse get 5 cents an hour more than our men. We informed that we had looked at that job and had studied our job and the changes that had taken place recently in our shipping area. We were going to re-rate our job according to job evaluation. If there was a change in the evaluation, we would make it.

Also discussed the balers, two of whom are in 240 [Mr. M is business agent for 240], and two of whom are in 21, the production union [Mr. K is business agent for 21.] It has been agreed between M and K that the balers should be in 240. We said that, as far as we were concerned, they could do anything they wanted, that it did not mean anything to us, that the men would naturally retain their plant seniority no matter what union they were in. It was agreed that M and K are to get together and decide, then let us know and we will make whatever changes are necessary so that dues are deducted and assigned to the right union.

1/26/50

Management inventory forms developed on GP, NK, for transmittal to N. Y. office as possible candidates for a job in the insurance division.

Salary evaluation committee meeting. Reviewed the new description on the various levels of draftsmen. They are apparently using two men on the heavy design work, one

man is a general all-around draftsman, and they have a junior draftsman. We rated all the jobs but decided to hold the ratings up until EH had returned from his trip and had an opportunity to give his rating on them.

Invitations to the management personnel dinner scheduled for June 14th went out this day.

Asked the nurse to contact the group who do our chest X-rays and set up a program.

1/27/50

DR, personnel manager, H Division, AD from that division, and EJW from our department reviewed the results of the salary survey that AD and EJW had been making. DR would like to handle the results of the survey in a way in which they were previously handled. He is using straight averages in the plants to determine the rate rather than the weighted averages of the people in the community. It is my feeling that the use of the weighted average technique gives us a sample of the rates paid to the working population and is more accurate than taking the average rates paid in the plants. He is to do the job the way he wants and let us know his results and we will make our comparisons later.

DIARY EXCERPTS TO PRODUCTION MANAGER FROM MR. MC, SHIPPING SUPERINTENDENT— 1/22/50

Sat with Mr. S, personnel manager, Messrs. M, AM and CP to discuss some of the problems that are involved in my department. Our shippers feel that they should be getting the same rate as the boys in the sales warehouse. They know each other and are sure that the jobs are alike. Last week, as I reported in my diary, I went with Mr. S to the shipping warehouse and we looked at the jobs. I think that the men do the same kind of job and the responsibilities are the same. From everything I could see, I think the men rate the 5 cents increase. Mr. S, however, wants to do a complete study and evaluation of the job. I think that the rate should come out so that our men will get the same pay as the men in the sales warehouse.

We also discussed the balers, and they should belong in our union. Apparently M and K are trying to work it out by themselves. I do not believe that we should have taken the attitude expressed by Mr. S, who said we did not care. I think it is very necessary that these men be in our union, but I did not question it in the meeting. If it is decided that it goes to the other union, I believe that we should make an objection.

DIARY EXCERPTS TO PRODUCTION MANAGER FROM MR. VH, SUPERVISOR, METHODS AND STANDARDS DEPARTMENT—1/22/50

Request received from personnel department to calculate new piece rates for P & Q's against the 5 cents increase. I believe that the technique that we have been using to compute this increase is not quite correct. I told Mr. S this and he suggested that I give him two possible ways of computing the results. Will discuss it with him later.

DIARY EXCERPTS TO GENERAL MANAGER FROM MR. EH, PRODUCTION MANAGER 1/23/50

Mr. MC reports that as a result of the meeting with

Mr. M, his stewards and Mr. S, personnel manager, he was not entirely happy with the way in which the meeting went. It is my intention to discuss it with Mr. S and clear it away. Mr. MC feels that his men should get the 5 cents an hour increase. He still has some difficulty in accepting the job evaluation technique. It may be, however, that there is something wrong and I will try to uncover the difficulty.

1/25/50

Discussed with Mr. S the meeting with Messrs. M, MC, AM and CP in the early part of the week. I believe that Mr. MC did not thoroughly understand what was taking place. Mr. S agreed to go back and do a better job of selling MC on the need for doing the job of evaluation and taking an objective approach.

1/26/50

Informed by the salary evaluation committee that they were holding up the ratings on the draftsmen to give me an opportunity to rate before passing the results back to the supervisor.

DIARY EXCERPTS TO GENERAL MANAGER
FROM MR. R, CONTROLLER

1/27/50

Mr. S informs me that he has built up from inventory forms on GP and NK, for transmittal to New York. I have agreed with him that these are the proper men to send for that job.

DIARY EXCERPTS TO OPERATING VICE-PRESIDENT FROM MR. AA, GENERAL MANAGER
2/1/50

Indications are that the final stages of contract negotiations have been completed and some of the minor details that have been causing some discontent are being cleaned up. We are still in difficulty over the situation of a difference in rate between our warehousemen and those in the sales warehouse department. We have run into a conflict with the NH Division over the techniques of doing salary surveys. Mr. S and Mr. R are in disagreement as to the techniques. They are, however, each doing the survey in their own way and will present both solutions to Mr. W, manager of the H Division, and myself. I believe that the problem can be readily resolved.

STEPHEN HABBE
Division of Personnel Administration

Promoting International Good Will

Almost 200 young men from thirty-five countries have spent a year as guests of the Louisville, Kentucky, plant of Joseph E. Seagram & Sons, Inc. The goal of the Seagram Fellowship Program, started in 1941, is to provide technical training in industrial fermentation and distillation to young scientists of other lands. The general policy guiding the program is a concept of internationalism based on the premise that America should share its technical skill with friendly countries to build a world in which prosperity and understanding will prevent future wars.

At the present time, there are twenty-four men in Louisville representing Austria, Belgium, China, England, France, Holland, India, Israel, Italy, the Philippines, Sweden, and the Union of South Africa. The men selected must meet high standards of character and scholarship. Also, they must be less than thirty years old, college graduates and have a speaking knowledge of English. Members of the fellowship program are placed under no financial or professional obligation to the Seagram Company during their academic tenure or at any time in the future. All tuition costs are defrayed by the company and roughly half of the student group is granted a subsistence allowance of \$52 per week.

Basic technical education takes about six months. During this time, the students also attend classes which familiarize them with American culture—music, sports, history, literature, geography, etc.

The remaining time is devoted to research in problems pertaining to the different countries. Significant advances in the utilization of unused sugar sources of the world and knowledge of yeast cultures and fermentation are among the contributions made by these men during their stay with Seagram.

The students reside in Louisville a full year, during which time they become acquainted in the city. They are well accepted by Louisville families with whom they live. Civic and social organizations within a radius of 200 miles of Louisville have called upon them to speak about their own countries, their governments, their industries, and their social life. To give them as broad a picture as possible of American industry, biweekly tours of the industrial plants in the Louisville area have been incorporated into their schedule.

The company believes the social friendships and the mutual exchange of information are resulting in increased international understanding on the part of the members of the program, as well as on the part of employees of the plant and the citizens of Louisville.

Seagram plans to continue this program. It hopes that through proving the workability of such a plan, other industries will establish similar programs and thus get underway a movement which will aid in cementing world relations and establishing world peace through mutual understanding.

More for More

Major revision in old-age insurance program gives larger benefit payments to more workers

THE first major revision of federal old-age insurance in over a decade has resulted in higher benefits, more covered workers, and increased taxes. Since most private pension plans are integrated with the federal Social Security program, a simplified summary of the amendments is in order.¹

Persons now on the benefit rolls have just had their monthly checks upped an average of 77½%. For the retired worker, this means an increase in the average benefit from \$26 to \$46. Future beneficiaries will receive more than double the sums they would have been entitled to under the old law.

Three out of every four workers will be covered at the start of next year, as the amendments add almost 10 million persons to the program. About half of the newly covered are people who work for themselves. However, self-employed farmers and professional people are still excluded. Other groups to which coverage is extended are farm workers and domestics who are regularly employed; employees of nonprofit organizations; certain federal, state, and local government employees; and persons in specified occupational categories not regarded under the old law as "employees."

Bigger benefit payments necessarily call for additional income. This will be achieved in the first few years merely by enlarging the annual taxable wage base per employee from \$3,000 to \$3,600. The tax rate, payable by both the employer and the employee, will remain at 1½% through 1953. It is due for its first boost in 1954—to 2% each—and will be stepped up gradually after that until it reaches a maximum of 3¼% each in 1970.²

The tax rate for self-employed persons will be one and one-half times the rate for employees—2¼% in 1951.

WHO IS ELIGIBLE

The insured status of a worker is determined by his *quarters of coverage*, that is, the number of calendar quarters in which he earned \$50 or more of wages in

¹A tabular comparison of the highlights of the Social Security Act Amendments of 1950 and the old law appears in *The Conference Board Business Record*, October, 1950, p. 406.

²The rate is scheduled to increase to 2½% each in 1960, and to 3% each in 1965.

covered employment, or \$100 or more of self-employment income.

He is *fully insured* if he has forty quarters of coverage, or if he has one quarter of coverage for each two quarters elapsing between 1950 and age sixty-five or death. A minimum of six quarters of coverage is required. Quarters of coverage earned at any time after 1936 may be counted.

A fully insured individual is eligible for a retirement benefit after age sixty-five, and he qualifies his dependents and survivors for the various types of supplementary benefits granted under the law. However, to qualify a husband or widower for benefits, the worker must also have been currently insured.

An individual is *currently insured* if he has six quarters of coverage out of the thirteen quarters ending with the quarter in which he died or became entitled to retirement benefits. Certain survivors are eligible for benefits if the worker died currently insured, even though he may not have been fully insured. These are children, or a widow with a child in her care belonging to the worker.

HOW TO FIGURE BENEFITS

An eligible worker may fall into one of the following three categories for the purpose of computing his retirement benefit:

- *He either is now a beneficiary, or he will retire with fewer than six quarters of coverage after 1950.* His benefit is computed according to the old-law formula, and then raised in accordance with a conversion table contained in the law. The old formula is the sum of 40% of the first \$50 of the average monthly wage and 10% of the next \$200, increased by 1% for each year of coverage. Years of coverage after 1950, however, do not count in figuring the increment. (See Table 1.)

- *He will reach age twenty-two after 1950.* His benefit is computed according to a new formula—50% of the first \$100 of the average monthly wage plus 15% of the next \$200. (See Table 2.) Note that besides providing a more liberal formula, the new law relates benefits to the first \$300 of average monthly wage whereas the old law took only \$250 into consideration.

• He reached age twenty-two prior to 1951 and will retire with at least six quarters of coverage subsequent to 1950. His benefit may be computed by whichever of the above two methods would result in a greater amount. An individual who will reach age sixty-five five years from now and who earned \$250 in covered employment every month since the program started in 1936 is illustrative of this group. He will be entitled to a monthly retirement benefit of \$72.50, the benefit under the new formula, as this is higher than the benefit under the old formula raised by the conversion table (\$68.50).¹

The benefit described above is the primary insurance amount, and dependent and survivor benefits are expressed as a percentage of this. Eligible wives, husbands, and children of retired workers are entitled to benefits equal to one half of the primary insurance amount. Benefits equal to three quarters of the primary insurance amount are payable to eligible

widows, widowers, parents, and children of deceased workers.²

¹Computation of Benefit by Old-Law Formula and Conversion Table

40% of first \$50	\$20.00
10% of next \$200	20.00
	<hr/> \$40.00

Increased by 1% for each year in covered employment between 1936 and 1951 (14 x \$.40)	5.60
	<hr/>

Total under old formula

The conversion table raises this amount to \$68.50.

Computation of Benefit by New Formula

50% of first \$100	\$50.00
15% of remaining \$150	22.50
	<hr/>

Total

²When there is one child, the benefit is three fourths of the primary insurance amount of the deceased worker. When there is more than one child, the benefit for each child is the sum of (a) one half of the primary insurance amount and (b) one fourth of the primary insurance amount divided by the number of children.

SOME QUESTIONS AND ANSWERS ABOUT 1950 SOCIAL SECURITY AMENDMENTS

Question: Do the amendments extend the coverage or increase the benefits of unemployment insurance?

Answer: No. The only changes in the unemployment insurance program relate to a loan fund and to administrative procedure.

Question: Is insurance now provided for retirement due to disability before the worker reaches age sixty-five?

Answer: No. Federal grants to states are provided, however, for persons who are totally and permanently disabled and who are in need.

Question: Are employees of nonprofit organizations covered for old-age and survivors' insurance?

Answer: Yes. They are covered if the employer agrees to pay his share of the contribution and two thirds of the employees vote for coverage. Then all those who agree to accept coverage, plus any employees hired in the future, will be covered. The minimum period of coverage is ten years, i. e., an eight-year initial period plus two years' advance notice of termination. However, ministers, priests, and members of religious orders are exempt.

Question: Can retired workers have earnings in addition to their benefit payments?

Answer: Yes. They may earn any sums in work that is not covered by the Act, and up to \$50 a month in covered employment or self-employment. After they reach age 75, there is no limitation on their earnings.

Question: Are any persons who are now 65 or over and were not eligible for benefits under the old law made eligible by the amendments?

Answer: Yes. About 500,000 additional persons will be

paid benefits in the first year of operation because of liberalized coverage requirements. Persons now 65 or over need to have had only one and one-half years in covered employment to be eligible.

Question: Are the men now fighting in Korea being credited for coverage toward OASI?

Answer: No. Wage credits of \$160 for each month of military service during World War II (September 16, 1940, to July 24, 1947) are provided in the amendments but there is no provision for wage credits to the military for service during the current emergency.

Question: Are payments made to an employee on account of sickness or accident disability, or medical or hospitalization expenses considered "wages" for tax purposes?

Answer: Such payments are not considered wages if they are made more than six months after the employee leaves, or if they are made at any time under a formal plan. Otherwise, such payments are included as wages and are taxable.

Question: Are the contributions now scheduled (ultimate combined rate from 1970 on 6½%) going to bring in enough funds to pay for future benefits without further increases?

Answer: Two sets of long-range cost estimates were computed for the Committee on Ways and Means. Under the low-cost estimate, disbursements never exceed amounts available. However, under the high-cost estimate, disbursements start to exceed contribution income after 1975, and the Trust Fund is completely exhausted shortly after 1995.

The method of computing the average monthly wage for use in the new benefit formula is the same as under the old law except that after 1950 up to \$3,600 a year in covered employment is taken into account in the calculation, while prior to 1951 only the first \$3,000 a year is considered. To derive the average monthly wage, all the wages the employee earned in covered employment after 1936 and up to the time of retirement or death are aggregated and divided by the number of months that have elapsed during this period.

Should the employee have six quarters of coverage

Table 1: Monthly Benefits Based on Old-Law Formula and Conversion Table

Years of Coverage and Average Monthly Wage	Retired Single Worker or Spouse Under 65 (Primary Insurance Amount)		Retired Married Worker with Spouse Over 65	
	Formula Under Old Law	After Conversion Under New Law	Formula Under Old Law	After Conversion Under New Law
5 years of coverage:				
\$25.....	\$10.50	\$21.00	\$15.75	\$31.50
50.....	21.00	38.50	31.50	57.80
100.....	26.25	48.80	39.38	73.20
150.....	31.50	55.70	47.25	83.60
200.....	36.75	61.00	55.13	91.50
250.....	42.00	65.80	63.00	98.70
10 years of coverage:				
\$25.....	11.00	22.00	16.50	33.00
50.....	22.00	40.20	33.00	60.30
100.....	27.50	50.80	41.25	76.20
150.....	33.00	57.20	49.50	85.80
200.....	38.50	62.70	57.75	94.10
250.....	44.00	67.60	66.00	101.40
14 years of coverage:¹				
\$25.....	11.40	22.80	17.10	34.20
50.....	22.80	41.80	34.20	62.70
100.....	28.50	52.20	42.75	78.30
150.....	34.20	58.40	51.30	87.60
200.....	39.90	64.00	59.85	96.00
250.....	45.60	68.50	68.40	102.80

Source: THE CONFERENCE BOARD

¹If the average monthly wage is the same, benefits for more than 14 years of coverage will be the same as for 14 years, since the 1% increment is not added for years after 1950

Table 2: Monthly Benefits Based on the New Formula

Average Monthly Wage	For Retirement		For Survivors	
	Single Worker or Spouse Under 65	Married Worker with Spouse 65 or Over	Child, Widow, Widower, or Parent	Widowed Mother and 2 Children
\$30 or less.....	\$20.00	\$30.00	\$15.00	\$40.00
35 to 50.....	25.00	37.50	18.80	40.00
75.....	37.50	56.30	28.20	60.00
100.....	50.00	75.00	37.50	80.00
125.....	53.80	80.70	40.40	100.00
150.....	57.50	86.30	43.20	115.00
175.....	61.30	91.90	46.00	122.50
200.....	65.00	97.50	48.80	130.00
225.....	68.80	103.20	51.60	137.50
250.....	72.50	108.80	54.40	145.00
275.....	76.30	114.40	57.20	150.00
300.....	80.00	120.00	60.00	150.00

Source: THE CONFERENCE BOARD

after 1950, however, he may have a new start in computing his average monthly wage. He may entirely disregard the period prior to 1951 and count only aggregate wages in covered employment and number of elapsed months for the period between 1950 and death or retirement. Chances are good that he will come out with a larger average monthly wage, and thus a larger benefit, if he takes advantage of the new start.

MINIMUM AND MAXIMUM BENEFITS

The minimum primary insurance amount (which is equivalent to the worker's monthly retirement benefit) is \$25 for persons whose average monthly wage is at least \$35. It is reduced by \$1 for every \$1 that the average monthly wage falls below \$35, until an absolute minimum benefit of \$20 is reached for persons with an average monthly wage of \$30 or less. The minimum benefit had been \$10 under the old law.

The most that an individual can collect on his own behalf for retirement is \$80 a month. The maximum family benefit, however, may equal the smaller of the following two sums—\$150 or 80% of the average monthly wage. These limitations may not reduce the family benefit to less than \$40. The maximum family benefit under the old law was the smallest of the following three sums (but never less than \$20)—\$80 or twice the primary benefit, or 80% of the average monthly wage.

MIRIAM CIVIC

Division of Business Economics

Management Book Shelf

Causes of Industrial Peace under Collective Bargaining

Case Study 8—A study of the relations of Marath Corporation and its seven unions. Inquires into why the company and its unions never had a strike or lockout and why they never resorted to arbitration or the courts. By R. W. Fleming and Edwin E. Witte, National Planning Association, Washington, D. C.

Handbook of New York Labor Statistics—A new handbook

book that covers most of the continuous series pertaining to labor in New York State. It presents statistical series that, up to now, have not been published or were obtainable only by reference to several publications. It covers data on: population and labor force; employment and payrolls; social insurance; income, earnings and hours; cost of living and real wages; work stoppages and child labor and building construction statistics. *Special Bulletin No. 226, State of New York—Department of Labor, Division of Research and Statistics, 80 Center Street, New York 1, N. Y. \$3.00.*

THE CONFERENCE BOARD

Briefs on Personnel Practices

How Many Executives Will Be Needed?

Those dealing with management charts and executive replacement tables know how hard it is to calculate their companies' future requirements for top-level personnel with any degree of accuracy. Based on the experiences of a score of companies represented at a recent personnel meeting, it would seem that two to six times as many future executives are needed as the number which will be lost by normal retirement. Also, death, resignation, ill health, and early retirement take a heavy toll.

An illustration will show how the "2 to 6" formula may be applied. Suppose that a study of the top one hundred executives of the ABC company reveals that eight will reach age sixty-five between 1950 and 1953. Eight replacements will not be enough to keep the executive group intact during the three-year period. Instead, two to six times this number—or sixteen to forty-eight replacements—will be required.

And if the situation isn't complicated enough already, an additional item may be mentioned. As sixteen to forty-eight replacements are made at the top, a number of personnel changes will have to be made lower down in the organization. That is, unless all the top appointments are made from outside.

Disaster Planning

Five Cook County (Chicago) doctors recently recommended two ways in which every person could prepare himself for a major disaster. They advised that every person know his blood group and receive tetanus inoculations. Realizing that Chicago is a railroad and defense center of primary importance, the management of Aldens, Inc., decided to offer tetanus toxoid shots to all employees free of charge. A large majority of employees have already been inoculated, thus backing up Aldens' promise to cooperate in every way with civilian defense.

A Discharge Check List

Supervisory manuals or personnel policy manuals of many companies regularly include information on discharge procedures. Reasons for terminating an employee, as well as procedures for the supervisor to follow in effecting a discharge, are explained. Ordinarily this completes the section in the manual on Discharge Practices."

The line supervisors of H. P. Hood & Sons of Boston, Massachusetts, have taken an interesting extra step in their manual which has just been revised. Recognizing the seriousness of the discharge function, the supervisors met with staff specialists and worked out a ten-point check list for their own guidance in cases where termination was to be considered. It is intended as a stop-look-and-listen procedure to guard against hasty or ill-advised action.

The check list, reproduced in full from the Hood manual, follows:

CHECK LIST FOR SUPERVISORS ON DISMISSALS OR DISCHARGES

Purpose

The purpose of this check list is to assist the supervisors in making decisions involving the possible dismissal or discharge of an employee.

- Have you *all* the facts?
Record, service, rules, and customs, opinions and feelings. Was there a good reason for the individual's action? Sickness? Death in family? Money trouble?
- Has the individual had a fair chance to improve?
Has he had some help, advice, or explanation? Does he know what is expected of him? Did he know the rules or customs?
- When was the individual given a fair chance to improve?
Has he had some help, advice, or explanation? Does he know what is expected of him? Did he know the rules or customs?
- When was the individual given a fair warning of the seriousness of his action?
Was a record made and filed? Who gave the warning?
- What action was taken in other similar cases?
In the same department? In other departments?
- What will be the effect of the action on the group?
On the groups in other departments?
- Are you going to handle this yourself?
Do you need help or further information? Should you check with your supervisor? The personnel department? How is your timing?
- What other possible actions are there?
Will your action help the organization, production, or the man? Should he be suspended?
- Are there others in the department who had different treatment under similar circumstances?
- Is the individual reasonably satisfied he was treated fairly?
Should you suggest that if not, he can see higher supervision or personnel department?

Employer-Security Clause

"Union-security clauses are popular among you union leaders, but what about an employer-security clause for us" asked a western industrial relations executive during negotiations. As a result, his new contract starts off with this employer-security clause:

Preamble Section 1. The parties recognize that the free private enterprise system in the United States has produced the highest standard of living anywhere in the world, and they hereby confirm their adherence to, and belief in, that system. In accordance with such belief, the parties support the principle of private ownership of public utilities under enlightened regulation by public authority.

In addition, the contract contains a public-security clause which reads as follows:

Section 6. Employees who are members of union shall perform loyal and efficient work and service, and shall use their influence and best efforts to protect the properties of the company and its service to the public, and shall cooperate in promoting and advancing the welfare of company and in preserving the continuity of its service to the public at all times.

Is There an IUE-CIO Pattern?

When a new union is formed, one of the first things experienced labor negotiators look for is the pattern of the new union's contracts. The recently formed International Union of Electrical Workers, CIO, headed by James Carey, issued a key to its pattern by analyzing eighty of its recent contracts covering 80,000 workers.

Wages—On wage increases the analysis shows:

Number of Contracts ^a	Increases
Fourteen.....	10 cents and over
Eighteen.....	5 cents to 10 cents
Twenty-three.....	5 cents
Fifteen.....	3 cents to 5 cents
Four.....	Reopened for wages and now being negotiated

Pensions—On the pension front, IUE-CIO says it secured twenty-one new pension plans. All of the twenty-one, says the union, are noncontributory.

Insurance—Out of the eighty local union contracts covered in the survey, Carey's union says fifty-eight

^aDo not add up to eighty because, at time of analysis, wages were being negotiated by four local unions of Philco Corporation.

have insurance and health plans. Insurance costs forty-nine of these contracts are shared by employer and worker.

Holidays—Paid holidays signed for by IUE-CIO are best summarized by this tabulation:

Number of paid holidays.....	6	7	7½	8	9
Union contracts	56	4	1	9	3

Duration—And here is how the IUE says the General Motors contract affected the length of its contract:

Length of contract	2 years	3 years	5 years
Number of contracts.....	8	4	7

Recent Contracts—Since making this analysis, the union has also signed with GE (see page 372), RCA (Victor Division) and Electric Storage Battery Company.

The RCA Victor Division contract provides a 12 5-cents-an-hour wage increase, an additional 5 cent for skilled trades, such as carpenters and electricians and an automatic 4½-cent wage boost next June 4. In addition, the contract provided for noncontributory hospitalization, surgical and medical benefits and contributory life insurance.

The Electric Storage Battery contract calls for 10½ cents an hour wage boost, liberalized pension plan, severance pay and eight paid holidays.

UE Sets Contract Aims

During the week of September 17, the United Electrical Workers, ind. (arch rival of IUE-CIO) held its convention in New York. Compared to previous conventions, this session was tame. The excitement furnished by the strong opposition elements, which have now formed Carey's IUE-CIO, is gone. Instead the UE's stance is that of complacent militancy. The degree to which the opposition has deserted the union was shown on the voting for officers. Only a sparse dozen delegates voted against Julius Emspak and James Matles. Both are cited by Congress for contempt in refusing to answer whether they are Communists.

The UE set forth these contract objectives for the next year:

Duration of Contract. UE is opposed to five-year

contracts. Instead it says "UE contracts should be no longer than two years."

Wages. UE came out against GM-type escalator clauses and annual improvement factors. Instead it called for straight cents-per-hour increases and for wage reopenings with the right to strike. (The UE admits, however, that in some instances UE members and workers may be compelled to accept escalator clauses because of the "capitulation" of other unions in their particular company or industry.)

Vacations. Establish as a standard practice three weeks' vacation for ten years of service.

Grievance Procedure. Secure the right to strike during the contract, says UE, because "the bias of arbitrators indicates that more reliance must be placed on the rank and file strength of the workers."

Shop Stewards. "Educate shop stewards and shop committees so that at all times they can rally the membership for the protection of the contract and conditions every day."

Can't Picket for Unlawful Objectives

Picketing to compel employers to hire only union members violates the Taft-Hartley Act, the NLRB has decided. The board ruled that the free speech section of the act, 8(c), does not protect picketing or threat of picketing to compel an employer to hire only union members in violation of the law. The board's ruling was made in two cases. One involved the AFL Building and Construction Trades Council of Denver, Colorado; the other involved the International Longshoremen's and Warehousemen's Union and the Jean Spruce Corporation.

If the Reds Seize Employees

With the possibility of seizure of American employees in foreign countries looming large in case of sudden war, attention is now being focused on what companies are planning to do about paying such seized employees. Pilots of overseas airlines constantly run this danger of seizure. To settle beforehand what pay these pilots will receive if seized in a foreign country, an airline's contract with the AFL Air Line Pilots Association makes this provision:

"Missing, Internment, Prisoner or Hostage of War—Benefits

"(a) A pilot who, while engaged in the course of his duties for the company, is interned, captured, held as a prisoner or hostage of war by a foreign government, or is missing shall be allowed compensation equal to his minimum guarantee for seventy hours per month (without any additional payment pursuant to Section 11) for the period during which he is interned, captured,

held as a prisoner or hostage of war, or is missing, until death is established or until the pilot shall have been missing for twelve months and the company shall have issued a certificate stating that such pilot is presumed to be dead. Such compensation shall be in lieu of all salary, foreign service allowance, or expense allowance which might otherwise be payable to the pilot under this agreement. As an alternative to paying compensation under this Paragraph (a), at the rate of compensation provided for in this Paragraph (a), the company may pay the difference between the amount of such compensation and the amount of any compensation provided for by any law in respect to persons interned, captured, held prisoner or hostage of war, or missing. If the company does not exercise the foregoing alternative, compensation under this Paragraph (a) shall be in lieu of all compensation provided for by any such law. The pilot shall maintain and continue to accrue seniority during any such period. The time during which a pilot is interned, captured, held as a prisoner or hostage of war, by a foreign government, or is missing shall be considered a period of service with the company in fixing his rate of compensation.

"(b) The monthly compensation allowable under this Section to a pilot interned, captured, held prisoner or hostage of war, or missing shall be: (1) credited to the pilot on the books of the company, and thereafter held for his account without interest; or (2) disbursed by the company to the person or persons designated by the pilot for that purpose, if the pilot has so requested the company, in substantially the form prescribed by the company for that purpose.

"(c) Any amounts credited to the account of a pilot or paid to a beneficiary in accordance with the provisions of Paragraph (b) of this Section shall not be required to be returned by such beneficiary or the estate of the pilot even though it shall be established that such payments were made after the death of the pilot, nor shall such amounts be a charge against the estate of the pilot provided that any such beneficiary shall have furnished the company with any evidence indicating the death of such pilot promptly after its receipt."

Clothing Unions Ask Wage Boost

The International Ladies' Garment Workers' Union, AFL, which has foregone wage increases for the last two years, has come out for a 15% wage boost. The reason they give is rise in living cost plus the fact that during the past two years garment workers have had low incomes because of the condition of the industry. The Amalgamated Clothing Workers, CIO, also has come out for a wage boost. This union likewise has foregone wage demands because of the industry's condition.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

UNIONS MAP WAGE PROGRAMS

WAGE considerations dominate the labor press. Some CIO unions have come out with specific wage programs for approaching negotiations. AFL unions have been quiet on the subject, but the AFL executive council issued a general statement indicating wages were a top issue. John L. Lewis, whose bituminous coal contract is not subject to reopening until April 1, 1951, also had something to say on wages. The roundup on wages from the labor press follows.

Auto Workers, CIO

Much of the UAW's wage program has already been put into effect. But for local unions entering negotiations, the UAW-CIO has outlined a specific and detailed wage program covering short, middle-range, and long-term agreements. The program, as given in the *United Automobile Worker*, states:

"1. Short-Range Approach

"a. Ten-cent per hour minimum wage increase for all workers, effective immediately.

"b. Five-cent additional wage increase for skilled trades classifications, apprentices, etc.

"c. Additional adjustments for classifications such as patternmakers, hammermen, and forge operators.

"Under the short-range approach, the normal reopening dates covering economic demands provided in your contract should remain unchanged, and the union must retain the right to reopen economic issues accordingly.

"2. Middle-Range Approach

"a. Ten-cent per hour minimum wage increases for all workers, effective immediately.

"b. Five-cent per hour additional wage increase for skilled trades classifications, apprentices, etc.

"c. Additional wage adjustments, effective immediately, for such classifications as follows: patternmakers, hammermen, and forge operators.

"d. Cost of living escalator clause, using the Bureau of Labor Statistics' cost of living index as of April 15, 1950, as the base.

"e. Annual automatic wage improvement clause to provide 4 cents per hour minimum wage increase annually.

"Under this middle-range approach, the economic reopening clause in existing contracts may be waived, since the workers' wage position is protected by the cost of living escalator clause and economic progress is provided by the annual automatic wage improvement clause.

"3. Long-Range Approach (GM Pattern)

"Where a long-term agreement is negotiated, such

agreement must meet basic UAW-CIO contract standards including the following minimum standards:

"a. A cost of living wage increase for all workers, effective immediately, in the amount necessary to restore the wage level in keeping with increases granted by General Motors. In most cases, this will require an 8-11 cents average increase on top of the 11-13 cent increase won in 1948.

"b. Five-cent per hour additional wage increase for skilled trades classifications, apprentices, etc., effective immediately.

"c. Additional wage adjustments, effective immediately for such classifications as follows: patternmakers, hammermen, and forge operators.

"d. Cost of living escalator clause, using the Bureau of Labor Statistics' cost of living index in the GM agreement as the minimum base.

"e. Annual automatic wage improvement clause to provide 4 cents per hour minimum wage increase annually.

"f. Improved pension plan, using the \$1.50 for thirty years of service as the base.

"g. Improved and expanded hospital, medical, and insurance benefits substantially paid for by the company.

"h. Improved vacation pay as follows:

Forty hours' pay—one year seniority
Sixty hours' pay—three years seniority
Eighty hours' pay—five years seniority
120 hours' pay—fifteen years seniority

"i. Union security clause, including union shop and checkoff.

"j. The right to strike, within the life of the agreement on production standards and other matters not subject to the jurisdiction of the umpire or arbitration."

Steelworkers, CIO

No definite wage package has as yet been announced by Philip Murray. But *Steel Labor* reports that "Steelworkers, feeling the pinch of the tremendous increase in the cost of living and looking at the huge profits of the steel industry, are on record in favor of a wage increase."

Rubber Workers, CIO

Negotiations have already started with the Big Four in rubber, reports the *United Rubber Worker*. The package being sought includes "an across-the-board 25 cents an hour wage boost in addition to further increases based on the cost of living index

Correction of inter- and intra-plant wage inequities and area wage differentials are also a part of the program."

Oil Workers, CIO

Basic wage policy of the Oil Workers, CIO, as outlined in the *International Oil Worker*, covers both short- and longer-term contracts. Specific points include:

"1. Elimination of wage inequities within each plant and between various plants.

"2. Immediate general wage increases of 10 cents an hour.

"3. Annual wage increases of 10 cents an hour in any contracts that are signed for longer than a one-year term, these increases to become part of the basic wage rates.

"4. If desired by the group involved, escalator clauses may be included. Escalator clauses provide for upward and downward adjustment of wages in keeping with fluctuations in the cost of living. Escalator clauses, however, must be so written as to provide that none of the basic wages can be taken away.

"5. Each contract must include provision for the maximum union-security clauses permitted under state laws.

"The newly adopted policy provides that if long-term contracts are signed, provisions must be included to provide for a longer work week, at overtime rates, in case of a national emergency, and for reduction of the work week below the present forty-hour standard when manpower is available to permit such reduction."

Textile Workers, CIO

The Textile Workers, CIO, are engaged in a series of regional conferences planning wage demands in both the cotton and the woolen and worsted branches of the industry, reports *Textile Labor*. Previews of the wage demands that may come out at these conferences have already been announced in *Textile Labor*. For 90,000 members in the woolen industry, President Emil Rieve has asked a 20 cents an hour increase, reports *Textile Labor*. The cotton industry wage pattern being sought, as indicated by the union's paper, is that set in the agreement with Textron, Inc.: a 10% immediate increase, 5% annual improvements, plus a GM-type escalator clause.

United Mine Workers

John L. Lewis continues to reject the cost of living theme in wage negotiations and stresses the idea that wages are a matter of collective bargaining. As reported in the *United Mine Workers Journal*, Mr. Lewis in his Labor Day speech stated:

"The United Mine Workers reject the theory that the cost of living should be used to decide the wages of the workers. The United Mine Workers reject the theory that they only want increases in wages when the price of milk or meat or shoes or shelter goes up. . . . If they put larger shovels in these coal crops to tear up these

mighty mountains and recover the coal, we want to share in the increased profits which that larger, more efficient, piece of equipment brings to the coal operators. We want it regardless of the price of milk, or the price of shoes, or the price of meat, or the price of rent. . . . We want a share. And we'll fight for it."

Concerning how much of the share labor should get, Mr. Lewis says: "That's debatable in the market places. That's collective bargaining. That's what we sometimes agree on and that's what we sometimes fight about."

American Federation of Labor

Since April, 1950, the rise in workers' living costs has checked a twenty-month advance in "real" wages amounting to 10% since July, 1948, according to the *AFL Weekly News Service*. The AFL executive council told the Houston convention that "price controls of some sort were necessary. Wages would be accommodated to this ceiling through the normal processes of collective bargaining." While not setting any definite wage course, the AFL executive council stated: "With the rise in productivity and the high level of profits, it will unquestionably be possible for many firms to increase wages without raising prices."

CIO's Position on Excess-Profits Tax

The CIO's *Economic Outlook* states that: "Estimates have put profits after taxes in the last half of 1950 at a new record rate of nearly \$23 billion a year. No one can quarrel with any business making a legitimate profit. . . . The need for legitimate reward should not be confused, however, with profiteering and gouging. . . . At a time when the nation is drafting men into the armed forces, it is unthinkable that we should permit profiteering to continue. Congress must enact a strong excess-profits tax along the lines of the one in effect during the last war."

CIO Completes Union Expulsions

Expulsion from the CIO of Harry Bridges' Longshoremen's and Warehousemen's Union, the Marine Cooks and Stewards, and the Fishermen and Allied Workers union completes the CIO's housecleaning of pro-Communist unions, according to a report in *The CIO News*. "A place will be made in the CIO for rank and file members of these three unions who support national CIO policy," says President Philip Murray.

Mergers among the eleven evicted unions continue. The latest is that of the Food, Tobacco, and Agricultural Workers, the United Office and Professional Workers, with the Distributive Workers Union, a New York left-wing offshoot of the CIO's Retail, Wholesale and Department Store Union. According to the *FTA News*, the merger is scheduled to take place this month. The new organization, according to the report, will have an initial membership of 80,000.

HAROLD STIEGLITZ

Division of Personnel Administration

PENSIONS AND OTHER BENEFITS

14,000 Pension and Profit-Sharing Plans

The number of pension, profit-sharing and stock bonus plans which have been passed on by the Bureau of Internal Revenue is nearing the 14,000 mark. The bureau reports that from 1942 up to June 30, 1950, it had issued rulings on 13,899 such plans submitted to it for approval under section 165(a) of the Internal Revenue Code. The number of plans submitted during the past two years has remained at a fairly constant level—1,134 plans during the fiscal year 1949 and 1,034 for 1950 (ending June 30). The bureau does not classify the plans according to type. The latest figure of this nature was published in 1946, at which time the bureau reported 6,862 pension plans, 2,474 profit-sharing plans, 9 stock bonus plans and 25 combination profit-sharing and stock bonus plans or a total of 9,370 plans. Since 1946, therefore, the number of plans submitted has increased by nearly 50%.

Living with a Pension Plan for Half a Century

The Standard Oil Company (New Jersey) has had continuous experience with a pension plan since the plan's rudimentary beginning in 1903. On the basis of day-to-day living with this plan, Standard Oil has developed a philosophy regarding pension plans which should be helpful to employers who have created such programs within the past five years. This philosophy¹ stresses five principles:

- All employees should receive equal treatment.
- Employees and company should contribute to the plan. By sharing the cost, the company points out employees maintain their self-reliance, and a larger retirement benefit is possible than if the company alone financed the plan.
- The plan should be flexible. Since the Standard Oil plan was first started, five major changes have been made and probably more will be made in the light of needs of employees, changes in economic conditions, and changes in the basic governmental program with which the company plan is integrated.
- The plan should not hinder the employee's freedom. Since 1932 the Standard plan has provided for vesting. Thus the plan does not tie the employee to

¹Digested from an article "Planning Tomorrow Today," published in *The Lamp*, June, 1950.

the company but he is free to take a position in another concern without forfeiting his annuity benefits.

- The plan should be soundly financed. In 1933 the company took its first step toward funding its annuity liabilities and in 1936 the plan was insured.

The company believes that the mandatory retirement feature of its plan tends to keep people on their toes by constantly creating openings for advancement. "One retirement may set off a kind of chain reaction leading to twelve promotions down the line."

The company believes that the money it has put into its benefit program has been soundly invested. One of the chief advantages of the plan, the company feels, is that it has been a positive force in stabilizing employment. This in turn has led to low turnover and a minimum of labor disputes.

Adjusting to the New SSA

Two well-known companies have recently announced changes in their pension plans as a result of the liberalized provisions of the amended Social Security Act. The Eastman Kodak Company is amending its contributory group annuity plan, which has been in effect since 1929. It is continuing unchanged its basic pension formula and employee contributions are also being required.

An important feature of the Kodak amendment is the adoption of a minimum pension for present and future pensioners. The minimum is larger for employees retiring after January 1, 1950 (\$70 a month) than for those retiring prior to that time (\$60 a month). Thirty years' service is required for the full minimum pension. For those with shorter service, the minimum is reduced proportionately. The company pension is in addition to Social Security. It is possible for the employee to receive under the minimum pension provision and the federal benefit an amount well in advance of the \$100 a month pension demanded by some unions. The company calls attention to the fact that the benefits the employee receives under the group annuity are based on earnings and years of service, and may be larger than the new minimum. The pension formula under the group annuity plan is 1% of the first \$3,000 annual compensation, 2% of compensation between \$3,000 and \$10,000, plus 1½% of earnings in excess. The

company does not expect to change the benefit formula because of the increase in the maximum earnings on which the federal benefit is computed.

Another significant change is the raising of the normal retirement age for women from sixty to sixty-five. The plan is effective October 1, 1950.

Socony Announces Minimum Pension

The Socony-Vacuum Oil Company also amended its contributory group annuity plan, effective September 1, 1950. Here, too, the basic formula remains unchanged and is in addition to the Social Security benefit. In addition, for employees earning at least \$200 a month, the company provides a minimum pension of \$125 a month. To be eligible for the minimum, the employee upon retirement at age sixty-five must have a service record of twenty-five years. From this minimum are deducted amounts received under the annuity plan or under any other company plan and any amount for which the employee is eligible under federal or state law. The minimum benefit is increased by \$5 per month for each year of service over twenty-five, until a maximum of \$200 a month is provided for the employee with forty years of service to his credit.

Other changes in the company plan are: retirement age for women employees becoming covered after September 1, 1950, boosted from fifty-five to sixty; liberalization of the vesting rights; a shorter probationary period for new employees; and early retirement on a discounted annuity without company consent.

"Young at Any Age"

The New York State Joint Committee on the Problems of the Aging has issued its third report. This publication on the problems of the aged may be obtained from the above committee, Senator Thomas C. Desmond, Chairman, Albany, New York.

Sights Raised on a \$100 Monthly Pension

Both the International Union of Electrical Workers, CIO, and the independent United Electrical Workers have reached an agreement with the General Electric Company for a contributory pension plan, with a minimum retirement income of \$125 a month, including Social Security. The United Automobile Workers, CIO, has been successful in obtaining a pension of \$125 a month from the Ford Motor Company and the Packard Motor Company.

Ford salaried employees will also receive a pension of \$125 a month, including Social Security benefits, after thirty years of service. This increase will become effective October 1, 1950. For salaried employees with two years' service earning over \$300 a month, the company offers a contributory plan to supplement the noncontributory \$125 pension. Employees' contributions under this supplemental plan are 5% of salary over \$300 a month and the annual retirement benefit is equal to 30% of total contributions over the years. In addition, further retirement benefits based on years of service prior to March 1, 1950, are provided.

F. BEATRICE BROWER

Division of Personnel Administration

Personnel Briefs

Employees Have a Chance, Too

"Employees of the company are ineligible to enter." This is a rule found in most company contests open to the public. Pillsbury Mills' current nationwide recipe contest is no exception. This is the competition in which the finalists go to New York and demonstrate their baking skill in the Waldorf-Astoria's grand ballroom.

Pillsbury employees and members of their families, however, are being given a chance, too, to make the trip to New York. Through a special contest, sponsored by the company's employee magazine, they are to send in recipes, just as in the public contest. The winner is to have a round trip to New York with all expenses paid, stop at the Waldorf for two nights and attend the Bake-Off and windup festivities of the

public contest. He (probably she) will also receive \$50 spending money.

Educational Plan Twenty-five Years Old

Twenty-five years ago the Commonwealth Edison Company (Chicago) established a tuition-refund plan for its employees, and the plan has remained in operation ever since. There are ten accredited colleges and junior colleges in the Chicago area offering evening courses, and the employee may take his pick. The company refunds 65% of the tuition charge if the course is completed satisfactorily. Last year the average refund amounted to \$44.24 per participant. Most popular courses were English, public speaking, shorthand, accounting, mathematics, electricity, psychology, and typing.

Work Week Stretched in August

ONLY a minor rise in earnings was recorded between July and August, whereas the weekly working hours of production personnel shot upward to a new high for recent years. The added income that was derived from overtime payments had no visible effect on the over-all earnings' level since hundreds of thousands of new workers were added to manufacturing payrolls during this period, and their starting rates kept the prevailing average in check.

EARNINGS TOP PREVIOUS PEAKS

While the increase in hourly returns amounted to only a tenth of a cent over the month, it nevertheless brought the level to the highest point recorded by the Bureau of Labor Statistics in all manufacturing combined. The average this August was \$1.463 an hour, approximately 42 cents above the wartime high of January, 1945, and 6.4 cents above the previous year's level.

The month-to-month rise in weekly earnings was considerably greater in that it reflected a marked extension of the work week. Production workers av-

eraged over \$1 more in August than in July, with the durable and nondurable goods groups sharing generally similar increases. The greatest change was noted in apparel factories where seasonal pressure sparked higher hourly pay and longer hours, thereby increasing the weekly aggregate by \$3.09. A close runner-up was the furniture industry which reported an average earnings' gain of \$2.80 a week. The furniture market has been riding high in recent months as housing construction has mushroomed. In fact production levels in the industry in the third quarter of this year are expected to exceed all previous levels.

OVERTIME IS INCREASING

Working hours in August topped all levels recorded since the end of 1947. In addition to the establishment of overtime schedules to expedite defense orders, many plants cancelled, postponed or shortened the summer vacations of their production workers so that essential output would not be delayed. Consequently, a longer work week was recorded in eight out of ten hard goods industries. Nondurable goods

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, August, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	Aug. 1950 ^p	July 1950	Aug. 1949	Aug. 1950 ^p	July 1950	Aug. 1949	Aug. 1950 ^p	July 1950	Aug. 1949
ALL MANUFACTURING	60.28	59.21	54.70	41.2	40.5	39.1	1.463	1.462	1.399
Durable goods.....	64.09	63.05	57.89	41.7	41.1	39.3	1.537	1.534	1.473
Electrical machinery.....	61.65	59.64	56.73	41.6	40.6	39.1	1.482	1.469	1.451
Fabricated metal products (exc. ord., mach. and trans. equip.)..	63.83	62.71	58.13	41.8	41.2	39.6	1.527	1.522	1.465
Furniture and fixtures.....	55.08	52.28	49.69	42.8	41.0	40.4	1.287	1.275	1.230
Instruments and related products.....	59.25	59.25	54.25	41.0	41.0	39.0	1.445	1.445	1.391
Lumber and wood products (except furniture).....	58.13	56.49	52.87	42.0	41.2	40.7	1.384	1.371	1.299
Machinery (except electrical).....	67.01	66.31	59.86	41.8	41.6	39.1	1.608	1.594	1.531
Ordnance and accessories.....	66.13	64.52	54.44	43.0	42.2	39.7	1.538	1.529	1.472
Primary metal industries.....	67.73	66.99	59.45	41.2	40.7	37.6	1.644	1.646	1.581
Stone, clay, and glass products.....	59.96	58.45	54.17	41.7	40.7	39.6	1.438	1.436	1.368
Transportation equipment.....	72.24	72.24	65.90	41.9	41.9	39.7	1.724	1.724	1.660
Nondurable goods.....	55.78	54.65	51.31	40.6	39.8	38.9	1.374	1.373	1.319
Apparel and other finished textile products.....	46.40	43.31	41.95	38.0	36.3	35.7	1.221	1.193	1.175
Chemicals and allied products.....	63.97	62.84	58.77	41.7	41.1	40.5	1.534	1.529	1.451
Food and kindred products.....	56.51	56.94	53.00	42.3	42.3	41.7	1.336	1.346	1.271
Leather and leather products.....	46.96	44.69	42.00	39.4	38.1	37.2	1.192	1.173	1.129
Paper and allied products.....	62.61	61.32	56.26	44.0	43.4	41.8	1.423	1.413	1.346
Printing, publishing, and allied industries.....	73.14	72.45	70.69	38.7	38.6	38.5	1.890	1.877	1.836
Products of petroleum and coal.....	74.94	76.31	72.38	41.2	41.7	40.3	1.819	1.830	1.796
Rubber products.....	66.39	65.46	57.72	41.6	41.3	38.3	1.596	1.585	1.507
Textile-mill products.....	49.45	47.19	44.37	40.6	39.0	37.6	1.218	1.210	1.180
Tobacco manufactures.....	44.25	42.01	38.58	39.9	38.4	38.7	1.109	1.094	.997

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.

^pPreliminary

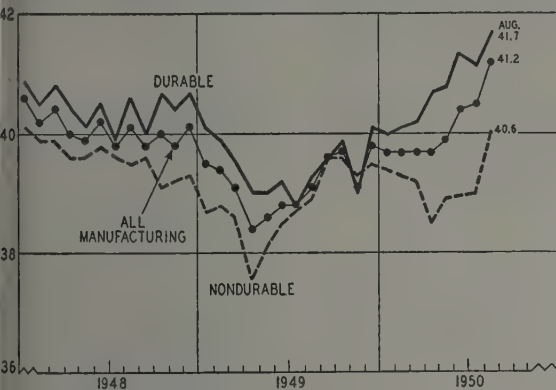
Table 2: Production-Worker Employment in Manufacturing Industries, August, 1950

Industry Group ¹	Employment (In Thousands)			
	Aug., 1950 ^p	July, 1950	June, 1950	Aug. 1949
ALL MANUFACTURING	12,733	12,140	12,070 ^r	11,561
Durable goods.....	6,884	6,592	6,598 ^r	5,947
Electrical machinery.....	665	623	615	507
Fabricated metal products (exc. ord., mach. and trans. equip.).....	810	770	769 ^r	688
Furniture and fixtures.....	316	302	303 ^r	263
Instruments and related products.....	186	180	180 ^r	169
Lumber and wood products (except furniture).....	778	747	742 ^r	686
Machinery (except electrical).....	1,064	1,032	1,034 ^r	927
Ordinance and accessories.....	19.4	18.8	18.9	18.2
Primary metal industries.....	1,089	1,055	1,051 ^r	932
Stone, clay, and glass products.....	459	439	441 ^r	412
Transportation equipment.....	1,106	1,068	1,077	998
Nondurable goods.....	5,849	5,548	5,472 ^r	5,614
Apparel and other finished textile products.....	1,074	977	975	1,040
Chemicals and allied products.....	492	479	483	458
Food and kindred products.....	1,307	1,229	1,142	1,350
Leather and leather products.....	373	351	343 ^r	356
Paper and allied products.....	411	397	400 ^r	371
Printing, publishing, and allied industries.....	501	500	501 ^r	486
Products of petroleum and coal.....	189	182	181 ^r	190
Rubber products.....	210	199	199	180
Textile-mill products.....	1,213	1,159	1,173 ^r	1,092
Tobacco manufactures.....	79	75	75	91

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^pPreliminary^rRevised

Average Weekly Hours of Production Workers in Manufacturing Industries



Source: Bureau of Labor Statistics

Possible production curtailments are anticipated, however, in view of the growing shortage of skilled labor in major industrial centers and the generally smaller work force that defense industries can draw upon. Hiring prerequisites are expected to become less rigid and the entrance of more women and older workers in the labor market is being counted on to overcome the tightening that has already started.

In actual numbers, the electrical machinery and the fabricated metal products industries reported greater employment gains between July and August than any of the other durable goods groups surveyed.

Production workers in nondurable goods industries also shared in this improved employment picture. Almost 100,000 additional workers were reported on the apparel industry's payrolls. About 78,000 workers entered food establishments between July and August because of seasonally high production schedules. The net employment gain in the soft goods classification was very close to the one recorded in the same period last year. It amounted to approximately 300,000 workers.

Latest labor turnover rates compiled by the Bureau of Labor Statistics show that hiring rose from 4.7 per hundred employees in July to 6.6 per hundred in August—the highest rate recorded in all manufacturing since October, 1946. The number of quits also gained substantially over the month, as interplant, interindustry and interarea shifts became more frequent.

ELIZABETH M. CASELLI
Statistical Division

classifications also experienced generally extended work schedules as seasonal factors became heightened, especially in the textile, apparel and leather industries.

EMPLOYMENT EXPANDS SHARPLY

The mark of Korea can well be seen in the employment picture for August. An over-all increase of 593,000 workers since July was estimated by the Bureau of Labor Statistics, bringing the total to a twenty-one month high of 12,733,000 production workers. Industrial output simultaneously climbed to a postwar peak, thus reflecting the speedy absorption of new workers into defense plants' work schedules.

Rise in Consumers' Prices Much Smaller

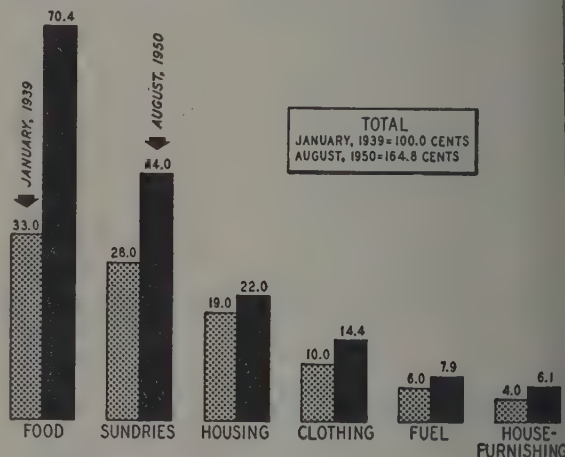
CONSUMERS' prices in the United States increased fractionally (0.3%) from July, 1950, to August, 1950. Food showed practically no change, while housefurnishings increased 3%. The August all-items increase was in decided contrast to that of July when the index recorded a rise of 1.4%, the largest monthly advance since September, 1947.

VALUE OF CONSUMER DOLLAR, 1939-1950

The purchasing value of the consumer's dollar has decreased almost 40 cents in a little over a decade. With the January, 1939, dollar equal to 100 cents, the purchasing power had decreased to 60.7 cents by August, 1950.

Moderate-income families are now spending almost \$1.65 for the same market basket they bought in January, 1939, for \$1.00. The manner in which the January, 1939, dollar was spent is shown by the accompanying chart, along with the corresponding picture for August, 1950. Food costs more than doubled:

Cost of the Market Basket—1939-1950



Source: THE CONFERENCE BOARD

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 August.....	161.5	208.2	112.7	144.0	157.3	132.8	127.1	91.9	101.9	148.0	155.1	61.9
September.....	162.1	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	155.3	61.7
October.....	160.4	204.0 ^a	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2	62.3
November.....	160.5	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3	62.3
December.....	159.5	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3	62.7
Annual average.....	161.3	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0	62.0
1950 January.....	159.7	200.9 ^b	114.7	143.2	156.0	132.3	130.5	92.6	101.7	147.6	155.4	62.6
February.....	159.1	199.8	114.7	142.7	155.7	131.8	130.7	92.6	101.7	147.9	155.4	62.9
March.....	159.7	201.0	114.8	142.6	155.5	131.7	131.1	92.7	101.7 ^r	147.7	155.5	62.6
April.....	159.9	201.0 ^c	115.1	142.5	155.5	131.5	132.0	92.6	101.6	148.1	155.9	62.5
May.....	161.0	204.5	115.3	142.5	155.6	131.4	129.4	92.8	101.6	148.1	155.9	62.1
June.....	162.1	207.7	115.3	143.0	157.0	131.1 ^r	129.2	92.8	101.6	148.3	156.1	61.7
July.....	164.3	213.5 ^d	115.7	143.2	157.4 ^r	131.2 ^r	129.6	92.8	100.8	148.9	156.3	60.9
August.....	164.8	213.4	115.8	144.0	158.2	131.9	131.0	92.9	100.8	153.4	157.2	60.7

Percentage Changes

July, 1950 to Aug., 1950...	+0.3	^e	+0.1	+0.6	+0.5	+0.5	+1.1	+0.1	0	+0.3	+0.6	-0.3
Aug., 1949 to Aug., 1950...	+2.0	+2.5	+2.8	0	+0.6	-0.7	+3.1	+1.1	-1.1	+3.6	+1.4	-1.9

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from August 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for October 13, 1949.

^bBased on food prices for January 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eLess than 0.1%.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939 = 100			Percentage Changes		CITY	Index Numbers Jan., 1939 = 100			Percentage Changes	
	Aug. 1950	May 1950	Aug. 1949	May 1950 to Aug. 1950	Aug. 1949 to Aug. 1950		Aug. 1950	May 1950	Aug. 1949	May 1950 to Aug. 1950	Aug. 1949 to Aug. 1950
Akron						New Haven					
Food.....	222.0	214.0	211.3	+8.7	+5.1	Food.....	201.9	195.8 ^r	201.4	+8.1	+0.2
Housing.....	125.9	124.6	122.4	+1.0	+2.9	Housing.....	107.9	107.9	106.6	0	+1.2
Clothing.....	145.4	143.6 ^r	144.4	+1.3	+0.7	Clothing.....	148.1	148.0	149.3 ^r	+0.1	-0.8
Fuel ¹	158.2	155.8	154.4	+1.5	+2.5	Fuel ¹	146.8	140.6	132.9	+4.4	+10.5
Housefurnishings.....	133.7	130.9	130.5	+2.1	+2.5	Housefurnishings.....	144.0	139.9 ^r	143.1	+2.9	+0.6
Sundries.....	154.4	153.7	154.1	+0.5	+0.2	Sundries.....	133.7	132.8	132.7 ^r	+0.7	+0.8
Weighted Total.....	167.7	164.4 ^r	163.4	+2.0	+2.6	Weighted Total.....	154.0	151.1	152.1 ^r	+1.9	+1.2
Chattanooga						Pittsburgh					
Food.....	211.8	202.2 ^r	210.3	+4.7	+0.7	Food.....	210.5	205.3 ^r	208.5	+2.5	+1.0
Housing.....	134.9	133.9	103.7	+0.7	+30.1	Housing.....	120.3	120.3	118.6	0	+1.4
Clothing.....	129.6	129.5	132.0	+0.1	-1.8	Clothing.....	141.4	140.2 ^r	142.2	+0.9	-0.6
Fuel ¹	132.9	132.9	127.4	0	+4.3	Fuel ¹	135.9	133.2	135.1	+2.0	+0.6
Housefurnishings.....	114.2	108.7	111.5	+5.1	+2.4	Housefurnishings.....	140.9	137.9 ^r	137.0	+2.2	+2.8
Sundries.....	144.7	144.4	142.4 ^r	+0.2	+1.6	Sundries.....	158.9	156.6	151.8	+1.5	+4.7
Weighted Total.....	159.5	156.1	153.4 ^r	+2.2	+4.0	Weighted Total.....	164.1	161.4	161.1	+1.7	+1.9
Cincinnati						Richmond					
Food.....	217.5	206.0	208.4 ^r	+5.6	+4.4	Food.....	243.7	229.2 ^r	240.2	+6.3	+1.5
Housing.....	118.8	118.8	115.2	0	+3.1	Housing.....	124.6	116.2	116.2	+7.2	+7.2
Clothing.....	155.1	154.7	158.5	+0.3	-2.1	Clothing.....	148.0	146.0	150.7 ^r	+1.4	-1.8
Fuel ¹	147.3	144.7	132.1	+1.8	+11.5	Fuel ¹	137.5	135.3	134.0	+1.6	+2.6
Housefurnishings.....	150.8	147.2	147.4	+2.4	+2.3	Housefurnishings.....	156.5	152.6	152.0	+2.6	+3.0
Sundries.....	157.0	156.0	155.9 ^r	+0.6	+0.7	Sundries.....	139.4	138.2	136.9 ^r	+0.9	+1.8
Weighted Total.....	169.1	164.6	164.5 ^r	+2.7	+2.8	Weighted Total.....	168.7	162.1	165.3 ^r	+4.1	+2.1
Dallas						Rochester					
Food.....	223.8	207.5	209.1	+7.9	+7.0	Food.....	221.3	214.3	216.8	+8.3	+2.1
Housing.....	168.6	157.8 ^r	148.5	+8.7	+10.2	Housing.....	124.9	122.5	116.7	+2.0	+7.0
Clothing.....	145.7	145.2 ^r	147.6	+0.3	-1.3	Clothing.....	146.3	145.1	148.1 ^r	+0.8	-1.2
Fuel ¹	89.1	89.1	89.1	0	0	Fuel ¹	164.5	157.1	156.5	+4.7	+5.1
Housefurnishings.....	147.8	147.3	146.1	0	+0.8	Housefurnishings.....	180.9	177.2	178.8	+2.1	+1.2
Sundries.....	157.8	156.4	154.4 ^r	+0.9	+2.2	Sundries.....	162.2	160.7	158.2 ^r	+0.9	+2.5
Weighted Total.....	170.4	164.6	162.8 ^r	+3.5	+4.7	Weighted Total.....	170.8	167.0	166.1 ^r	+2.3	+2.8
Duluth						St. Louis					
Food.....	216.2	206.2 ^r	206.1	+4.8	+4.9	Food.....	216.0	203.4	205.4	+6.2	+5.2
Housing.....	113.2	113.2	109.8	0	+3.1	Housing.....	117.0	117.0	116.4 ^r	0	+0.5
Clothing.....	152.8	151.9	153.6	+0.6	-0.5	Clothing.....	138.4	137.8	139.8	+0.4	-1.0
Fuel ¹	147.7	150.2	142.6	-1.7	+3.6	Fuel ¹	145.6	144.0	142.3	+1.1	+2.3
Housefurnishings.....	164.0	158.1	155.9 ^r	+3.7	+5.2	Housefurnishings.....	143.4	132.9 ^r	132.9	+7.9	+7.9
Sundries.....	154.8	151.4	151.3 ^r	+2.2	+2.3	Sundries.....	145.9	141.7	144.3 ^r	+3.0	+1.1
Weighted Total.....	168.5	164.2	162.9 ^r	+2.6	+3.4	Weighted Total.....	163.4	157.3 ^r	158.7 ^r	+3.9	+3.0
Fall River						San Francisco-Oakland.					
Food.....	200.5	192.1 ^r	195.5	+4.4	+2.6	Food.....	222.2	217.0 ^r	217.5	+2.4	+2.2
Housing.....	106.9	106.9	106.9	0	0	Housing.....	102.7	102.7	102.7	0	0
Clothing.....	153.6	151.8	153.8	+1.2	-0.1	Clothing.....	145.4	146.0	146.4	-0.4	-0.7
Fuel ¹	145.3	142.7 ^r	143.5 ^r	+1.8	+1.3	Fuel ¹	95.7	95.7	91.2	0	+4.9
Housefurnishings.....	133.8	129.5 ^r	129.2	+3.3	+3.6	Housefurnishings.....	147.8	144.7	145.6	+2.1	+1.5
Sundries.....	157.0	155.2	154.5	+1.2	+1.6	Sundries.....	157.1	156.9	157.5 ^r	+0.1	-0.3
Weighted Total.....	161.2	157.8	158.5 ^r	+2.5	+1.7	Weighted Total.....	164.7	163.0 ^r	163.3 ^r	+1.0	+0.9
Muskegon						Wilmington, Del.					
Food.....	257.7	247.4	245.6	+4.2	+4.9	Food.....	193.0	186.4	189.1 ^r	+3.5	+2.1
Housing.....	115.4	115.4	115.4	0	0	Housing.....	125.8	125.8	124.9	0	+0.7
Clothing.....	140.0	137.4 ^r	142.0	+1.9	-1.4	Clothing.....	148.2	146.5 ^r	150.9	+1.2	-1.8
Fuel ¹	164.8	163.2	161.6	+1.0	+2.0	Fuel ¹	131.3	129.3	127.2	+1.5	+3.2
Housefurnishings.....	120.3	118.7	117.4	+5.8	+2.5	Housefurnishings.....	154.4	144.5	145.4	+6.9	+6.2
Sundries.....	153.2	151.9	150.3 ^r	+0.9	+1.9	Sundries.....	144.7	145.4	144.8 ^r	-0.5	-0.1
Weighted Total.....	173.3	169.3	168.9 ^r	+2.4	+2.6	Weighted Total.....	158.7	155.7	156.8 ^r	+1.9	+1.2

SOURCE: THE CONFERENCE BOARD

¹Includes electricity and gas.
^rRevised.

this meant that housewives had to pay over 70 cents for the same amount of food they previously bought for 33 cents. Each of the other five components that make up the consumers' price index increased, but in much smaller proportions. It must be remembered that these figures do not take into consideration the shifts in buying habits.

CONSUMERS' PRICES IN AUGUST

Living costs continued to climb between mid-July and mid-August, but at a much slower pace. THE CONFERENCE BOARD's index is now 2% higher than in

August, 1949, but is still 1% below the all-time high of August-September, 1948.

Food, the major cause for recent increases in consumers' prices, showed a decrease of less than 0.1% from July to August. This is the first decrease in this component since February, 1950. Declining prices in fresh fruits and vegetables, with the exception of lettuce, were largely responsible for keeping this index relatively unchanged. There were increases in lamb, lettuce and coffee to offset these decreases. Price rises were also reported for cereal and dairy products.

The subsidence of scare buying and hoarding of food

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Aug. 1950	July 1950	Aug. 1949	July 1950 to Aug. 1950	Aug. 1949 to Aug. 1950
Birmingham					
Food.....	215.8	213.8	210.4	+0.9	+2.6
Housing ¹	149.7	149.7	121.6	0	+23.1
Clothing.....	146.2	145.6	148.8	+0.4	-1.7
Fuel ²	127.0	125.7	124.0	+1.0	+2.4
Housefurnishings.....	153.9	150.1	148.7	+2.5	+3.5
Sundries.....	142.1	141.6	140.9	+0.4	+0.9
Weighted Total....	165.0	163.9	158.2	+0.7	+4.3
Boston					
Food.....	198.6	199.5	195.9	-0.5	+1.4
Housing ¹	116.1	116.1	114.8	0	+1.1
Clothing.....	139.6	139.3	140.2 _r	+0.2	-0.4
Fuel ²	160.1	156.7 _r	151.9	+2.2	+5.4
Housefurnishings.....	156.0	154.5	156.4	+1.0	-0.3
Sundries.....	152.2	151.6	150.4	+0.4	+1.2
Weighted Total....	161.2	161.0	158.9 _r	+0.1	+1.4
Chicago					
Food.....	224.8	227.6	216.2 _r	-1.2	+4.0
Housing ¹	124.3	124.3	120.5	0	+3.2
Clothing.....	142.6	141.7	141.3	+0.6	+0.9
Fuel ²	113.5	112.6	109.7	+0.8	+3.5
Housefurnishings.....	147.7	142.6	143.7 _r	+3.6	+2.8
Sundries.....	165.0	163.7	157.8	+0.8	+4.6
Weighted Total....	170.1	170.3	164.0	-0.1	+3.7
Denver					
Food.....	214.1	212.3	207.4	+0.8	+3.2
Housing ¹	113.4	113.4	113.4	0	0
Clothing.....	152.6	151.8	150.4	+0.5	+1.5
Fuel ²	106.0	105.9	105.1	+0.1	+0.9
Housefurnishings.....	148.9	143.0	140.6	+4.1	+5.9
Sundries.....	151.6	151.1	149.1	+0.3	+1.7
Weighted Total....	161.3	160.3	157.8	+0.6	+2.2
Detroit					
Food.....	218.2	218.6	210.7	-0.2	+3.6
Housing ¹	116.2	116.2	114.8	0	+1.2
Clothing.....	141.0	140.7	141.5 _r	+0.2	-0.4
Fuel ²	150.5	149.4	143.9	+0.7	+4.6
Housefurnishings.....	157.2	154.3	151.1	+1.9	+4.0
Sundries.....	167.4	166.7	165.3	+0.4	+1.3
Weighted Total....	167.8	167.5 _r	164.0	+0.2	+2.3
Indianapolis					
Food.....	227.7	224.7	214.3	+1.3	+6.3
Housing ¹	121.0	121.0	119.4	0	+1.3
Clothing.....	140.4	139.5	143.7	+0.6	-2.3
Fuel ²	154.9	152.8	150.9	+1.4	+2.7
Housefurnishings.....	151.2	148.1	146.6	+2.1	+3.1
Sundries.....	161.6	160.9	160.0 _r	+0.4	+1.0
Weighted Total....	170.6	169.1	165.8 _r	+0.9	+2.9
Los Angeles					
Food.....	207.0	204.2	205.6	+1.4	+0.7
Housing ¹	114.6	114.6	111.9	0	+2.4
Clothing.....	138.3	138.1	140.3	+0.1	-1.4
Fuel ²	91.8	91.8	91.8	0	0
Housefurnishings.....	147.1	139.2	137.0	+5.7	+7.4
Sundries.....	150.3	149.2	150.6 _r	+0.7	-0.2
Weighted Total....	156.9	155.3	155.9	+1.0	+0.6
New Orleans					
Food.....	223.3	218.5	212.1	+2.2	+5.3
Housing ¹	119.1	119.1	119.2 _r	0	-0.1
Clothing.....	148.4	148.8	149.9	-0.3	-1.0
Fuel ²	91.0	90.6	89.9	+0.4	+1.2
Housefurnishings.....	160.2	157.3	159.8	+1.8	+0.3
Sundries.....	141.4	140.9	140.4	+0.4	+0.7
Weighted Total....	167.6	165.5	164.7 _r	+1.3	+1.8
New York					
Food.....	202.6	203.3	200.8	-0.3	+0.9
Housing ¹	104.6	104.6	104.4	0	+0.2
Clothing.....	144.3	142.9	142.8	+1.0	+1.1
Fuel ²	132.1	130.8	128.3 _r	+1.0	+3.0
Housefurnishings.....	154.6	150.8	149.7	+2.5	+3.3
Sundries.....	161.1	160.5	159.8 _r	+0.4	+0.8
Weighted Total....	160.6	160.4	159.1 _r	+0.1	+0.9
Philadelphia					
Food.....	201.4	199.0 _r	195.9 _r	+1.2	+2.8
Housing ¹	111.0	111.0	110.4	0	+0.5
Clothing.....	136.9	135.8	133.1	+0.8	+2.9
Fuel ²	149.5	145.4	143.0	+2.8	+4.5
Housefurnishings.....	156.5	149.6	147.2 _r	+4.6	+6.3
Sundries.....	154.5	153.8 _r	152.9	+0.5	+1.0
Weighted Total....	162.1	160.3 _r	158.4 _r	+1.1	+2.3

Source: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November

³Rents surveyed March, June, September, December.

⁴Includes electricity and gas.

_rRevised.

THE CONFERENCE BOARD

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House-Furnishings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 August.....	160.5	205.3	111.4	141.5	153.5	131.3	124.4	94.1	103.3	147.6	156.9	62.3
September.....	161.0	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2	62.1
October.....	159.3	200.3 ^a	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6 ^b	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.1
February.....	157.8	196.0	112.3	140.9	152.4	131.2	127.5	94.1	102.7	147.8	157.7	63.4
March.....	158.4	197.7	112.3	140.7	152.1	131.1	127.9	94.2	102.7	147.6	157.8	63.1
April.....	158.6	197.7 ^c	112.6	140.6	152.1	131.0	128.8	94.2	102.7	147.9	158.2	63.1
May.....	159.8	201.4	112.7	140.7	152.2	130.9	126.4	94.1	102.7	147.8	158.3	62.6
June.....	160.9	204.3	112.7	141.2	153.6	130.7	126.4	94.1	102.7	148.0	158.4	62.2
July.....	163.0	210.1 ^d	113.2	141.4	153.9	130.8	127.0	94.2 ^r	102.7	148.5	158.5	61.3
August.....	163.6	210.0	113.2	142.3	155.0	131.5	128.4	94.1	102.7	153.1	159.3	61.1
Percentage Changes												
July, 1950 to Aug., 1950....	+0.4	^e	0	+0.6	+0.7	+0.5	+1.1	-0.1	0	+3.1	+0.5	-0.3
Aug., 1949 to Aug., 1950....	+1.9	+2.3	+1.6	+0.6	+1.0	+0.2	+3.2	0	-0.6	+3.7	+1.5	-1.9

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for October 13, 1949.

^bBased on food prices for Jan. 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eLess than 0.1%.

^rRevised.

was offset to some extent by heavy buying of housefurnishings in anticipation of renewed credit control. This caused the index for housefurnishings to increase 3%. Practically every article in the housefurnishings index increased from July to August. Sheets and rugs advanced more than any other item.

Fuel followed housefurnishings with a 1.1% rise, due to increases in hard and soft coal. Both men's and women's clothing increased over the month, bringing the combined clothing index up 0.6%. Higher price tags were noted for rayon dresses, nylon hose and wool sweaters. Women's street shoes also showed slight increases. Prices for spring coats and rayon hose were on the downgrade over the month. The

0.5% increase in men's clothing was brought about by higher prices in overalls, dress shoes, shorts and handkerchiefs. Increases in cotton, broadcloth and denim work shirts also contributed to this gain. The rise of 0.6% in the sundries index was due to increases in cigarette, soap and gasoline prices.

Residential rents rose 0.1% between mid-July and mid-August. Increases were reported in five of the sixteen cities in which rent was surveyed in August. The greatest increase (7.2%) was reported in Richmond, Virginia, where rent controls expired in June, 1950.

SHIRLEY FASS
Statistical Division

Wages—Escalators

(Continued from page 374)

Clause 4 (Allis-Chalmers)

Annual Wage Increase—An increase of three cents per hour shall be applied annually on the first pay period after July 1 of each year, commencing July 1, 1950, to each employee's hourly earnings.

Cost of Living Allowance—Wages shall be increased or decreased in accordance with the following cost of living allowance formula:

1. All adjustment shall be determined in accordance with changes in the "Consumers' Price Index for Moderate Income Families in Large Cities—All Items" published by the Bureau of Labor Statistics, Department of

Labor (1935-1939=100), hereinafter referred to as the "BLS consumers' price index."

2. Adjustments shall be made semiannually at the following times:

Effective date of adjustment: first pay period beginning on or after: January 1, 1951, and at semiannual intervals thereafter to January 1, 1955.

Based upon BLS consumers' price index as of: November 15, 1950, and at semiannual intervals thereafter to November 15, 1954.

3. The BLS consumers' price index as of July 15, 1950, shall be used as a base. For each 1.25 points change appearing on an adjustment date above the said base, one cent per hour shall be added to the employee's hourly earnings, effective until the next adjustment date.

4. In the event the Bureau of Labor Statistics does not issue the consumers' price index on or before the begin-

ning of the pay period referred to in paragraph 99, any adjustments required will be made at the beginning of the first pay period after issuance of the index.

5. No adjustments, retroactive or otherwise, shall be made because of any revision which may later be made in the published figures for the BLS consumers' price index for any base month.

6. The continuance of the cost of living allowance is dependent upon the availability of the official monthly BLS consumers' price index in its present form and calculated on the same basis as the index for May, 1950, unless otherwise agreed upon by the parties.

* * *

However, either party may reopen this agreement on July 1, 1952, after having given thirty days' prior written notice to the other party, for the sole purposes of negotiations upon (1) the subject of wages but not including pensions, group life insurance, health, accident and disability benefits (Mutual Aid Society), vacation pay, and holiday pay; and (2) the authority of the impartial referee to review discipline cases as provided in Article XIII.

The Electrical Industry Pattern

The pattern of escalator clause agreements being signed by James Carey's International Union of Electrical Workers (IUE-CIO) is not nearly so distinct as that of the UAW. Where the UAW and the IUE both have contracts with the same company, the IUE seems to follow the UAW's lead. This has been true of the IUE's agreement with GM, which is a replica of the UAW contract; it is also true of IUE's contract with Allis-Chalmers—it contains the one cent for 1.25 formula called for in the company contract with the UAW. In two recent agreements, the IUE has agreed to a one cent for 1 point change formula; in others, the formula for up and down adjustments is the standard 1 for 1.14.

A significant change in this pattern was agreed to by James Carey in the IUE negotiations with the General Electric Company. The resulting wage agreement, though popularly classified as an escalator clause, does not allow for wage escalation. It merely provides that the wage revision and reopening of March 15, 1951, will be tied to the consumers' price index. If the March 15, 1951, index shows an increase over that of September 15, 1950, an increase in wages will be granted on the basis of GM's 1 for 1.14 formula. Reopenings occurring after March 15, 1951, will have no tie-in with the price index. It states:

Clause 5

As agreed today, any wage increase made as of March 15, 1951, to be effective from there on, will be determined solely by what difference, if any, there is upward between the BLS consumers' price index as published for this date, September 15, and the BLS consumers' price index published for March 15, 1951. It is obvious that the March 15 index will not be known until roughly a month after that date, but any wage increase due to be

made effective on the above basis will be calculated as of March 15, when the figures are known, and the appropriate wage payments retroactive to March 15, 1951, will then be made to employees whose bargaining agent the IUE is. Any such wage increase determined in accordance with this agreement will be calculated at 1 cent per hour increase in pay for each 1.14 points of any increase in the BLS consumers' price index between that index as reported for September 15, 1950, and for March 15, 1951. Any adjustment on this basis of March 15, 1951, is to be for that occasion only. Thereafter, at the next six month reopening or at any future reopenings provided for in our national agreement, the parties will be free to bargain collectively according to this or any other such standards they may be able mutually to agree upon.

Any such wage increase determined on the above basis to become effective March 15 will be added to the wages from there on in the same manner in which the company added the July 1 wage increase.

In another contract, the IUE has also tied wages to the workings of the GM formula. In its two-year agreement with the Standard Register Company, the IUE agrees to a 3-cent increase after one year. However, if the operation of the escalator clause in IUE's contract with General Motors has yielded more than 3 cents, the IUE can call for wage renegotiations in lieu of the 3-cent increase. If the GM escalator has dropped 3 cents or more, the company can request new negotiations. The clause states:

Clause 6

This agreement shall remain in full force and effect from the 31st day of May, 1950, until the 31st day of May, 1952. If on May 31, 1951, the cost of living factor in the General Motors and IUE-CIO contract is three cents above the present amount (which is three cents at the date of this agreement), the union can open the agreement by written notice to the company for the negotiation of hourly wage rates only, in which case the Schedule B [granting 3 cents increase as of June 4, 1951] attached hereto will become null and void. If on May 31, 1951, the cost of living factor in the General Motors—IUE-CIO contract is three cents below the present amount (which is three cents at the date of this agreement), the company by written notice to the union can open the agreement for the negotiation of hourly wage rates only, in which case the Schedule B attached hereto will become null and void. If on May 31, 1951, neither party can or does open the contract in accordance with the above, Schedule B shall become effective and remain in effect for the duration of this agreement. In the event neither party shall serve notice to terminate this agreement upon the other by registered mail at least sixty days prior to May 31, 1952, this agreement shall be renewed under the same terms and conditions as are then in effect for an additional one year, and similarly this agreement shall be renewable thereafter for yearly periods.

Chemical Industry Pattern

Escalator agreements in the chemical industry in some cases use the GM 1 for 1.14 formula; in others

the formula is 1 for 1. One distinct variation occurs in the agreement between the Dow Chemical Company and District 50 of the United Mine Workers. The contract calls for a 5-cent annual improvement factor, and an escalator formula of 1 cent for each 1 point increase in the BLS index over a set base. However, where the usual GM-type escalator clause calls for an adjustment based on the index at the close of a particular quarter, the Dow agreement calls for an automatic adjustment based on the average index figure for the three-month period. Where the GM-type contract calls for an hourly wage adjustment to be applied in the future, the Dow agreement calls for a lump-sum cost of living bonus based on hours already worked during the past quarter. In the clause that follows, the parties have also allowed for the establishment of a conversion factor should the BLS index computation method be changed:

Clause 7

Wage Exhibit—Effective July 3, 1950, the rates set forth in Exhibit A, and agreed upon by the union and the company, shall be paid for jobs until 8 A.M., July 2, 1951. Thereafter, 5 cents per hour shall be added to these rates and such increased rates shall be paid until 8 A.M., June 30, 1952. Thereafter, an additional 5 cents per hour shall be added to these rates and such additionally increased rates shall be paid until 8 A.M., July 6, 1953.

Cost of Living Bonus—A cost of living bonus effective as of 8:00 A.M., July 3, 1950, and continuing until July 6, 1953, shall be made effective as follows:

The United States Department of Labor, Bureau of Labor Statistics' consumers' price index hereinafter referred to as the "index" shall constitute the controlling index. The index for each of the three months comprising the calendar quarter of July, August, and September, 1950, and for each subsequent calendar quarter until the quarter ending June 30, 1953, shall be averaged. From the average quarterly index figure thus obtained, the agreed upon base index figure of 169.3 shall be subtracted to give the index difference.

For each full point of index difference thus obtained, each employee will receive a bonus of one cent for each paid hour credited to him for those weeks actually paid during such calendar quarter. No bonus will be payable during any quarter the index stands below 170.3.

Note:

Should the Bureau of Labor Statistics change the manner of computing the index during the life of this agreement, the parties will meet and agree upon a conversion factor which will fairly adjust the presently agreed upon base to a comparable figure in line with the new method, and that such revised base will replace the figure of 169.3 in computing further cost of living bonus payments.

The Textile Industry Pattern

One of the more recent escalator provisions to be signed is that of Textron, Inc. with the CIO's Textile Workers. The Textile Workers hope to make it a

pattern for the cotton industry. Especially significant is a section of the clause that calls for management to "use its best efforts to obtain permission from the government to carry out its contractual obligations" should a wage freeze develop. The agreement has the GM escalator formula. The union claims, however, that the Textron 5% annual increase provision is better than the flat 4-cent annual increase called for in most GM-type agreements. In the Textron agreement, cost of living increases received, says the union, would be included in determining the annual pay rise. In the usual GM-type annual improvement factor, cost of living increases already received play no part in determining the annual increase. The Textron clause follows:

Clause 8

Effective January 1, 1951, and quarterly thereafter, the base rates shall be adjusted plus or minus one cent per hour for each 1.14 points increase or decrease in the "Consumers' Price Index for Moderate Income Families in Large Cities—All Items" published by the Bureau of Labor Statistics, Department of Labor, during the preceding three months' period ending November 15, 1950, and quarterly thereafter. It is agreed that only the cost of living allowance will be subject to reduction, and not existing base rates or the increases provided in paragraphs (3) and (5) hereof;

All employees covered by this stipulation shall receive, in addition to the cost of living adjustment provided in paragraph (4) hereof, an increase of 5%, effective September 30, 1951, and an additional increase of 5%, effective September 28, 1952, as a further incentive to achieve greater unit productivity per worker;

In the event of a future wage freeze order, the company will use its best efforts to obtain permission from the government to carry out its contractual obligations under this agreement.

JAMES J. BAMBRICK, JR.

HAROLD STIEGLITZ

Division of Personnel Administration

That's What They Don't Like About the South

Top AFL leaders tell of a crack organizer who was sent from Pennsylvania to organize retail and warehouse workers in Richmond, Virginia. The workers had resisted organization for years, and the organizer found the signing up for the union slow. After several months of spadework, he finally had a majority signed up and called one last organization meeting. In the course of a fervid speech, he shouted: "I can tell you right now we'll take these companies like Grant took Richmond!"

That did it. He got out of town twenty-five minutes ahead of the mob.

The Supervisor

(Foremen's Association of America, ind.)

Significant Labor Statistics

Item	Unit	1950							Year Ago	Percentage Change	
		Aug.	July	June	May	April	March	Feb.		Latest Month over Previous Month	Latest Month over Year Previous
Consumers' Price Index											
Food.....	Jan. 1939=100	213.4	213.5	207.7	204.5	201.0	201.0	199.3	208.2	0	+2.5
Housing.....	Jan. 1939=100	115.8	115.7	115.3	115.3	115.1	114.8	114.7	112.7	+0.1	+2.8
Clothing.....	Jan. 1939=100	144.0	143.2	143.0	142.5	142.5	142.6	142.7	144.0	+0.6	0
Men's.....	Jan. 1939=100	158.2	157.4	157.0	155.6	155.5	155.5	155.7	157.3	+0.5	+0.6
Women's.....	Jan. 1939=100	131.9	131.2	131.1	131.4	131.5	131.7	131.8	132.8	+0.5	-0.7
Fuels.....	Jan. 1939=100	131.0	129.6	129.2	129.4	132.0	131.1	130.7	127.1	+1.1	+3.1
Electricity.....	Jan. 1939=100	92.9	92.8	92.8	92.8	92.6	92.7	92.6	91.9	+0.1	+1.1
Gas.....	Jan. 1939=100	100.8	100.8	101.6	101.6	101.6	101.7	101.7	101.9	0	-1.1
Housefurnishings.....	Jan. 1939=100	153.4	148.9	148.3	148.1	148.1	147.7	147.9	148.0	+3.0	+3.6
Sundries.....	Jan. 1939=100	157.2	156.3	156.1	155.9	155.9	155.5	155.4	155.1	+0.6	+1.4
All items.....	Jan. 1939=100	164.8	164.3	162.1	161.0	159.9	159.7	159.1	161.5	+0.3	+2.0
Purchasing value of dollar.....	Jan. 1939 dollars	60.7	60.9	61.7	62.1	62.5	62.6	62.9	61.9	-0.3	-1.9
All items (BLS).....	1935-1939=100	173.0	172.5	170.2	168.6	167.3	167.0	166.5	168.8	+0.3	+2.5
Strikes (BLS)											
Beginning in period.....	number	.....	p 425	p 425	450	400	260	210	343	0	+23.9
Workers involved.....	thousands	.....	p 225	p 260	325	160	80	75	110	-13.5	+104.5
Total man days idle.....	thousands	.....	p 2,900	p 2,750	3,000	3,150	3,750	7,850	2,350	+5.5	+23.4
Turnover rates in manufactur'g (BLS)											
Separations ¹	per 100 employees	.....	3.0	3.0	3.1	2.8	2.9	3.0	3.8	0	-21.1
Quits.....	per 100 employees	.....	1.9	1.7	1.6	1.3	1.2	1.0	1.4	+11.8	+25.7
Discharges.....	per 100 employees	.....	.3	.3	.3	.2	.2	.2	.2	0	+50.0
Layoffs.....	per 100 employees	.....	.6	.9	1.1	1.2	1.4	1.7	2.1	-33.3	-71.4
Accessions.....	per 100 employees	.....	4.6	4.8	4.4	3.5	3.6	3.2	3.5	-4.2	+31.4
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.463	1.462	p 1.453	1.442	1.434	1.424	1.420	1.399	+0.1	+4.6
weekly.....	average in dollars	p 60.28	59.21	p 58.70	57.54	56.93	56.53	56.37	54.70	+1.8	+10.2
Hours per production worker.....	average per week	p 41.2	40.5	p 40.4	39.9	39.7	39.7	39.7	39.1	+1.7	+5.4
Employment.....	1939 average=100	.....	148.2	p 147.3	144.5	141.6	141.0	139.9	136.9	+0.6	+8.3
Payrolls.....	1939 average=100	.....	367.2	p 361.9	348.0	337.2	333.5	330.0	312.8	+1.5	+17.4
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.537	1.534	p 1.523	1.509	1.499	1.486	1.483	1.473	+0.2	+4.3
weekly.....	average in dollars	p 64.09	63.05	p 62.90	61.57	61.01	59.74	59.47	57.89	+1.6	+10.7
Hours per production worker.....	average per week	p 41.7	41.1	p 41.3	40.8	40.7	40.2	40.1	39.3	+1.5	+6.1
Employment.....	thousands	p 6,884	6,592	p 6,598	6,456	6,195	6,070	5,979	5,947	+4.4	+15.8
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.374	1.373	p 1.364	1.358	1.355	1.353	1.350	1.319	+0.1	+4.2
weekly.....	average in dollars	p 55.78	54.65	p 53.74	52.83	52.17	53.04	53.06	51.31	+2.1	+8.7
Hours per production worker.....	average per week	p 40.6	39.8	p 39.4	38.9	38.5	39.2	39.3	38.9	+2.0	+4.4
Employment.....	thousands	p 5,849	5,548	p 5,472	5,385	5,402	5,479	5,478	5,614	+5.4	+4.2
Class I railroads ²											
Earnings, hourly.....	average in dollars	.....	.....	1.603	1.611	n.a.	1.613	1.629	1.427	-0.5	+12.3
weekly.....	average in dollars	.....	.....	71.47	74.44	n.a.	71.78	69.10	70.21	-4.0	+1.8
"Real" weekly earnings ³	Jan. 1939=100	.....	.....	129.2	135.5	n.a.	131.7	p 127.3	p 127.2	-4.6	+1.6
Hours per wage earner.....	average per week	.....	.....	44.6	46.2	n.a.	44.5	42.4	49.2	-3.5	-9.3
Agricultural wage rates (BAE) ⁴											
With board and room, per month.....	average in dollars	.....	98.00	.....	.....	92.00	.....	.....	102.00	+6.5	-3.9
With house, per month.....	average in dollars	.....	126.00	.....	.....	113.00	.....	.....	130.00	+11.5	-3.1
Composite rate per hour.....	average in dollars	.....	.56	.....	.....	.47	.....	.....	.56	+19.1	0

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Includes miscellaneous; shown separately prior to February, 1950.

²Derived from Interstate Commerce Commission reports.

³Series revised; formerly on a 1923 base.

⁴Changes in Agricultural Wage Rates are quarterly.

p Preliminary.
r Revised.

Contract Settlement Announcements— August 15 to September 15

A. Wage Increase Announcements

B. Settlements for Fringe Benefits Only

Note: Adjustments verified by company unless otherwise specified

A.—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Automobiles, Parts and Accessories</i>							
*Briggs Manufacturing Co..... Detroit, Mich.	WE S	\$.05 hr. 7%	8-28-50 8-28-50	38,000 3,000	n.a. n.a.	6-50 6-50	Voluntary increase. Approximately 3,000 skilled workers will receive an additional 5¢ hour. (UAW, CIO)
The Budd Company..... Detroit, Mich.	WE	\$.05 hr.	7-3-50	12,000*	n.a.	n.a.	Additional 5¢ hour for skilled workers. Effective 9-4-50, another 5¢ hour plus 5¢ more for skilled workers. Contract expires 7-3-52. Wage reopening 9-4-51. (UAW, CIO)
Red Lion Plant Bustleton, Pa.	WE S	\$.06 hr. \$2.40 wk.	8-21-50 8-21-50	n.a. n.a.	n.a. n.a.	n.a. n.a.	Two-year contract. Reopening in one year. Additional 6¢ hour voluntary increase effective 9-11-50. (Independent union)
Hunting Park, Pa.	WE S	\$.10 hr. hourly worker \$.05 hr. piece-worker \$2 wk. to \$4 wk.	7-17-50 7-31-50	n.a. n.a.	n.a. n.a.	n.a. n.a.	On 7-9-50 all employees on payroll received \$4 in lieu of retroactive increase in pay. Partial union shop granted. Two-year contract. Wage reopening on or after 7-17-51. Effective 9-11-50, voluntary average increase of 6¢ hour. (UAW, CIO)
*Chrysler Corporation..... Detroit, Mich.	WE S	\$.10 hr. minimum 7%	8-28-50 9-1-50	100,000 20,000	\$1.65 hr. average n.a.	n.a. n.a.	Employees also received \$6 week in lieu of retroactive increase in pay. Two-year contract. Wage reopening in one year. Three weeks' vacation after 20 years' service. Probationary period reduced; double time for holiday work, plus holiday pay. Effective 9-11-50, voluntary \$2.40 week granted to nonsupervisory employees. (Independent Office Workers)
*Ford Motor Co..... Detroit, Mich.	WE	\$.08 hr.	9-1-50	110,000	\$1.69 hr. average	n.a.	Of the 100,000 wage earners, approximately 7,000 skilled workers will receive an additional 5¢ hour increase. (UAW, CIO)
Hudson Motor Car Co..... Detroit, Mich.	WE	\$.07 hr.	9-4-50	20,000	n.a.	8-14-50	Additional 5¢ hour increase for skilled workers. Annual 4¢ hour raise each 6-1 until expiration of the 5-year contract. Cost of living formula. Wages to be reviewed quarterly and raised or lowered 1¢ hour for each 1.14 change in BLS consumer price index. Three weeks' vacation for employees with 15 years' service. Increased shift premiums and improved accident and life insurance program. (UAW, CIO)
*Kaiser-Frazer Corp..... Detroit, Mich.	WE	\$.04 hr.	9-4-50	16,000	n.a.	n.a.	Of the 20,000 employees, 2,000 skilled workers received an additional 3¢ hour. Previous increase of 5¢ hour for skilled and 3¢ hour for other wage earners effective 8-14-50. Non-contributory pension plan; broader group insurance program. (Wage reopening 8-14-51.) (UAW, CIO)
*Packard Motor Car Co..... Detroit, Mich.	WE	\$.04 hr.	8-28-50	8,000	\$1.65 hr. average	11-48	Additional 5¢ hour for skilled workers. Also an 8¢ hour cost of living increase effective 9-4-50 for all workers. Cost of living escalator clause. Vacation and night premium pay increased. (UAW, CIO)
*Studebaker Corporation..... South Bend, Ind.	WE	\$.09 hr.	9-4-50	21,000 approx.	n.a.	n.a.	Employees to receive additional 5¢ hour increase 9-1 as result of cost of living. Skilled workers, approximately 800 of them, will receive an additional 4¢ hour. Annual 4¢ hour increase each 8-28 for 4 years. Cost of living escalator clause. Wages subject to review quarterly. Pay scales revised 1¢ hour for every 1.14 change in BLS consumer price index. Monthly pension of \$125. Five-year contract. (UAW, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
Chemicals and Allied Products							
Armour & Company.....	WE	\$.05 hr.	7-20-50	85	\$.94 hr. unskilled labor	7-14-49	One additional paid holiday. Contract expires 7-18-51. No wage reopening. (United Packinghouse Workers, CIO)
Armour Fertilizer Works Dallas, Texas					n.a.		
Davison Chemical Corp.....	WE	\$.04 hr. to \$.09 hr.	8-16-50	900	n.a.	8-16-49	Contract expires 8-16-51. (Int'l Chemical Workers, AFL)
Baltimore, Md.							
Dow Chemical Company.....	WE	\$.03 hr.	5-1-50	450	\$1.40 hr. labor	8-16-48	Improved group insurance, life, sickness, hospitalization, and surgical benefits. ((Int'l Chemical Workers, AFL)
Pittsburg, Calif.					\$1.92 journeymen		
					n.a.		
E. I. du Pont de Nemours & Co., Inc. Deepwater, N. J.	WE	\$.06 hr.	6-26-50	4,000 approx.	n.a.	n.a.	Wage reopening on request of either party (Chemical Workers Ass'n, Ind.)
	S	\$11 mo.	7-1-50	40 approx.	n.a.	n.a.	(Chemical Workers Ass'n, Ind.)
Emery Industries, Inc.....	WE	\$.05 hr.	6-26-50	100	\$1.00 hr. labor	11-3-49	Result of wage reopening. Original contract runs 1½ years. (Construction Workers, UMW, Ind.)
Cincinnati, O.					n.a.	n.a.	Additional 5¢ hour increase effective 5-28-51.
Formica Company.....	WE	\$.08 hr.	5-28-50	1,400			Two-year contract will continue in effect unless either party notifies the other 60 days prior to 5-28-52 or to 5-28 on any subsequent year. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Cincinnati, O.							(Int'l Chemical Workers, AFL)
General Aniline & Film Corporation.. Rensselaer, N. Y.	WE	\$.045 hr.	6-26-50	800	n.a.	n.a.	
Indiana Gas and Chemical Corporation Terre Haute, Ind.	WE	\$.055 hr. average	7-1-50	138	\$1.24 hr.	7-1-49	Blue Cross and Blue Shield plans. Increased shift differential. Three weeks' vacation after 20 years' service. Wage reopening 7-1-51. (UMW, Dist. 50)
	S	\$25 mo.	7-1-50	22	n.a.	n.a.	(No union)
Linde Air Products Company.....	WE	\$.05 hr.	6-5-50	12	\$1.505 hr. average	6-5-49	Noncontributory pension plan installed. Improvements made in group insurance plan. Larger share of cost assumed by company. No wage reopening. (Int'l Chemical Workers, AFL)
Los Angeles, Calif.							Company to pay all of group life insurance premiums instead of 50%, as in previous year. Wage reopening 6-1-51. (UMW, Dist. 50)
Ozark-Mahoning Co.....	WE	\$.05 hr.	6-1-50	70 approx.	n.a.	6-1-48	Covers 19 plants. Employers to discuss a pension plan with the union. (Bro. of Painters, Decorators & Paperhangers, AFL)
Rosiclare, Ill.							Contributory plan covering group life, accidental death and dismemberment, and reimbursement for in-hospital payments made to physicians. Three weeks' vacation with pay for all employees having over 12 years' service, instead of 2 weeks after 5 years. (UMW, Dist. 50)
*Paint and lacquer manufacturing plants New York, N. Y. and Long Island	WE	\$.10 hr. across the board	8-50	800	\$1.35 hr. average	n.a.	Wage reopening 1-31-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
Vitro Manufacturing Co.....	WE	\$.065 hr.	5-22-50	46	\$1.42 hr.	5-20-49	
Cannonsburg, Pa.							
William R. Warner & Co., Inc.....	WE	\$.10 hr. to \$.27 hr.	2-1-50	68	n.a.	n.a.	Wage reopening 1-31-51. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
St. Louis, Mo.							
Food and Allied Products							
American Bakeries Company.....	WE	\$.06 hr.	5-28-50	72	\$.967 hr. to \$1.027 hr.	n.a.	Additional 4¢ hour 5-28-51. Wage reopening 5-28-52. (Retail, Wholesale, and Department Store Union, CIO)
Gadsden, Ala.							
*Armour & Company.....	WE	\$.11 hr.	8-50	30,000 approx.	\$1.15 hr. to \$1.81 hr.	n.a.	Improved vacation and sickness and accident benefits. Adjustments in piece work rates. Two-year contract with three wage reopenings. (United Packinghouse Workers, CIO; Amalg. Meat Cutters & Butcher Workmen, AFL)
Chicago, Ill.							Wage reopening 12-15-50. (Int'l Chemical Workers, AFL)
The Borden Company.....	WE	\$.075 hr.	6-16-50	n.a.	n.a.	n.a.	Wage reopening 4-1-51. (Retail, Wholesale & Department Store Union, CIO)
Springfield, Ore.							
Detroit Creamery Company.....	WE	\$.05 hr.	5-28-50	100	\$1.17 hr. to \$1.37 hr.	9-19-49	Wage reopening 6-1-51. (Office Employees Int'l Union, AFL)
Ovid, Alma, Vassar and Coral, Mich.							
Nalley's Inc.....	WE	\$.03 hr. to \$.07 hr.	6-1-50	14	\$.925 hr. to \$1.45 hr.	6-1-49	
Tacoma, Wash.							
General Mills, Inc.....	WE	\$.075 hr.	8-1-50	215	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Vallejo, Calif.							
Louisville, Ky.	WE	\$.05 hr.	8-1-50	134	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Keokuk, Ia.	WE	\$.05 hr.	8-1-50	111	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Chicago Cereal Plant & Flour Mill Chicago, Ill.	WE	\$.075 hr.	6-15-50	673	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Minneapolis Flour Mill Minneapolis, Minn.	WE	\$.07 hr.	7-1-50	515	n.a.	n.a.	Additional 2¢ hour effective 1-1-51. Two-year contract. Wage reopening 7-1-51. (Amer. Fed. of Grain Millers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Food and Allied Products (Continued)</i>							
General Mills, Inc.—Continued	WE	\$.05 hr.	7-1-50	52	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Great Falls, Mont.	WE	\$.075 hr.	8-15-50	201	n.a.	n.a.	Effective until 10-15-51. (Amer. Fed. of Grain Millers, AFL)
Lodi, N. J.							
Buffalo Cereal Plant & Flour Mill	WE	\$.08 hr.	7-1-50	950	n.a.	n.a.	Two-year contract. Wage reopening 7-1-51. (Amer. Fed. of Grain Millers, AFL)
Buffalo, N. Y.							
Johnson City, Tenn.	WE	\$.05 hr.	6-1-50	52	n.a.	n.a.	Contract effective until 8-1-52. Wage reopening 8-1-51. (Amer. Fed. of Grain Millers, AFL)
Rosford, O.	WE	\$.08 hr.	8-1-50	171	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Ogden, U.	WE	\$.075 hr.	9-1-50	104	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Tacoma and Spokane, Wash.	WE	\$.075 hr.	7-1-50	359	n.a.	n.a.	Two-year contract. Wage reopening 7-1-51. (Amer. Fed. of Grain Millers, AFL)
<i>Furniture and Allied Products</i>							
American Seating Company.....	WE	\$.03 hr.	7-1-50	1,400	n.a.	4-19-48	Additional 3¢ to 10¢ for nonincentive employees. Increased life insurance. Five-year pension contract providing \$100 maximum benefits, including Social Security, for employees 65 and over with 25 years or more credited service. Total disability benefits for those having 15 years of service between the ages of 55 and 65, and \$500 retirement life insurance policy. Improved vacation and holiday pay schedules. Three-year contract. Wage rate renewal on each anniversary date. (UAW, CIO)
Grand Rapids, Mich.							(United Furniture Workers, CIO)
*Paul E. Brandwen Furniture Manufacturing Co.	WE	\$.05 hr.	12-1-50	18	n.a.	n.a.	
Scranton, Pa.							
Mengel Company.....	WE	\$.06 hr. to \$.15 hr.	5-3-50	18	\$1.03 hr. to \$1.305 hr.	5-3-49	One additional paid holiday. One week's vacation for one year's service, sixty hours' vacation for two years' service, and two weeks' vacation for three years or more service. (Carpenters Dist. Council of St. Louis; Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL; Int'l Bro. of Firemen & Oilers, AFL)
St. Louis, Mo.							Two-year contract. Wage reopening after 1 year. (United Furniture Workers, CIO)
*Thomasville Chair Co.....	WE	\$.10 hr. across the board	retro. to 9-4-50	1,800 approx.	n.a.	n.a.	Two-year contract. Wage reopening after 1 year. (United Furniture Workers, CIO)
High Point, N. C.							
*Upholstered Furniture Manufacturers Ass'n of N. Y.	WE	\$.15 hr.	9-50	2,500	\$1.85 hr. minimum	n.a.	Mechanics to receive increase of 25¢ hour. Employer-financed pension fund of 2%. (United Furniture Workers, CIO)
New York							
<i>Lumber and Allied Products</i>							
The Diamond Match Company.....	WE	\$.075 hr.	5-1-50	1,260 approx.	\$1.375 hr. base rate	10-21-49	Three paid holidays. Increase to be immediately deducted and turned over to union for health and welfare program. Wage reopening 4-1-51. (Int'l Woodworkers, CIO)
Pacific Northwest							
Stowell-MacGregor Corp.....	WE	\$.06 hr.	5-24-50	300	\$.94 hr. average	5-24-48	Wage reopening 5-24-51. (UMW, Dist. 50)
Dixfield and Dover-Foxcroft, Me.							
<i>Metal Manufactures</i>							
Allis-Chalmers Mfg. Co.....	WE	\$.03 hr.	7-10-50	982	\$1.01 hr. to \$1.78 hr.	6-21-48	Additional 3¢ hour general increase 7-51. Adjustments for certain skilled occupations. Cost of living adjustment of 1¢ to be made semiannually for each 1.25 change in BLS consumers price index, using 7-15-50 as a base. Three weeks' vacation after 15 years of service. Pension of \$100 per month including federal benefits. Increases in insurance coverage. Five-year contract. Wage reopening 7-10-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Norwood Works							
Cincinnati, O.							
	S	\$5 mo. to \$11 mo.	7-1-50	207	n.a.	n.a.	Same benefits as above. (No union)
Pittsburgh, Pa.	WE	\$.03 hr.	7-17-50	2,256	\$.95 hr. to \$1.47 hr.	6-21-48	General increase of 3¢ hour at the beginning of second year. Adjustments for certain skilled occupations. Cost of living adjustment of 1¢ to be made semiannually for each 1.25 change in BLS consumers price index, using 7-15-50 as a base. Three weeks' vacation after 15 years' service. Pension of \$100 per month including federal benefits. Increases in minimum insurance coverage. Five-year contract. Wage reopening 7-1-52 (UAW, CIO)
	S	\$5 mo. to \$11 mo.	7-1-50	272	n.a.	n.a.	Same benefits as above. (No union)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufactures (Continued)</i>							
Allis-Chalmers Mfg. Co.—Continued West Allis, Wis.	WE	\$.03 hr.	7-1-50	10,371	\$1.11 hr. to \$1.92 hr.	6-21-48	Additional 3¢ hour increase for wage earners 7-51. Cost of living adjustment based on 1¢ for each 1.25 change in cost of living index, to be made semiannually. Adjustments for certain skilled occupations. Three weeks' vacation with pay. Monthly pension of \$100 including federal benefits. Increase in minimum insurance coverage. Wage reopening 7-1-52. Five-year contract. (UAW, CIO)
	S	\$5 mo. to \$11 mo.	7-1-50	5,094	n.a.	n.a.	Same benefits as above. (No union)
Chain Belt Company..... Baldwin Duckworth Div. Springfield, Mass.	WE	\$.04 hr. day worker \$.03 hr. average piece-worker	5-1-50	n.a.	n.a.	n.a.	Two additional paid holidays. Liberalized qualifications for paid holidays and leave of absence provisions. Pension plan details not yet completed. Two-year contract check off. Wage reopening 5-1-51. (United Steelworkers, CIO)
Danly Machine Specialties..... Chicago, Ill.	WE	\$.065 hr. average	6-12-50	1,100	n.a.	6-14-48	Improved incentive and insurance program for wage earners. Contract expires 7-17-51. Three weeks' vacation after 15 years' service. (United Electrical, Radio & Machine Workers)
	S	7% average	6-12-50	180	n.a.	n.a.	(No union)
Detroit Harvester Company..... Motor State Products Div. Ypsilanti, Mich.	WE	\$.10 hr. non-production workers	6-12-50	175	n.a.	6-16-48	Insurance benefits free to employees. Christmas bonus of 3¢ hour. Shift premiums of 5¢ hour and 7.5¢ hour to production incentive workers. Two weeks' vacation after 3 instead of 5 years. Wage reopening 6-12-51. (UAW, AFL)
*Diehl Manufacturing Co..... Finderne, N. J.	WE	\$.04 hr. to \$.14 hr.	9-50	2,500	n.a.	n.a.	(Diehl Employees' Independent Union)
The Electric Controller & Manufacturing Co. Cleveland, O.	WE	\$.05 hr.	6-1-50	350	\$1.54 hr. average	5-31-50	Corresponding increase in rate ranges for hourly rated jobs. Vacation allowance increased to 3 weeks for 20 years' service instead of 2½ weeks. Vacation allowance prorated for employees with long layoff during the year. Minor improvements in pay for firemen on holidays worked, etc. One-year contract. (United Electrical, Radio & Machine Workers)
Food Machinery and Chemical Corp. Westvaco Chemical Division Chula Vista, Calif.	WE	\$.08 hr.	8-1-50	6	\$1.34 hr. to \$1.49 hr.	10-29-49	Two weeks' vacation after 3 years' instead of 5 years' service. Contract expires 8-1-52. Wage reopening 8-1-51. (Int'l Union of Operating Engineers, AFL)
Mechanical Foundry Division Vernon, Calif.	WE	\$.075 hr.	7-31-50	200	\$1.21 hr. to \$1.625 hr.	4-1-48	Company pays 75% of cost of group insurance. Contract expires 7-31-51. No opening for welfare or pension plan. (Int'l Molders & Foundry Workers Union, AFL)
Bolens Products Division Kansas City, Mo.	WE	\$.05 hr.	1-12-51	75	\$1.55 hr. average	7-1-49	Additional 5¢ for painters. Contract, effective from 7-12-50 till 7-1-51, extended one year unless reopening request. Two additional paid holidays. Two weeks' vacation after 3 instead of 5 years. (Int'l Ass'n of Machinists, Ind.)
John Bean Division Lansing, Mich.	WE	\$.10 hr.	9-5-50	310	\$1.135 hr. to \$1.835 hr.	2-48	Company to pay half of employees' Blue Cross insurance including dependents—effective 1-1-51 and half cost of group insurance, 3-1-51. Contract expires 9-5-51. (UAW)
	S	\$10 mo.	10-1-50	183	n.a.	n.a.	Company to pay half cost of employees' Blue Cross insurance. (No union)
*International Harvester Company.. Chicago, Ill.	S	3%	8-50	n.a.	n.a.	n.a.	Increase to nonmanagerial employees. Additional 3¢ hour cost of living increase. (No union)
Jenkins Brothers..... Bridgeport, Conn.	WE	\$.04 hr.	5-15-50	900	\$1.51 hr. average	5-11-48	All life, sickness and accident insurance now paid by company. Three weeks' vacation after 25 years' service. Wage reopening 5-11-51. (United Steelworkers, CIO)
	S	5%	5-8-50	200	n.a.	4-15-48	Same benefits. Wage reopening 5-21-51. (Office Employees International Union, AFL)
National Electric Coil Company..... Bluefield, W. Va.	WE	\$.07 hr.	6-1-50	165	n.a.	n.a.	Wage reopening once during term of 25-month contract if Congress should declare a war. (Construction Workers, UMW, Ind.)
	S	\$12 mo.	6-1-50	50	n.a.	n.a.	(No union)
Smith Engineering Works..... Milwaukee, Wis.	WE	\$.12 hr.	7-1-50	76	n.a.	7-1-48	Wage reopening 7-1-51 or if the company, as a matter of policy, reduces the work week below 45 hours per week. (UAW, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufacturers (Continued)</i>							
Watson-Stillman Company..... Roselle, N. J.	WE	\$.055 hr.	7-8-50	400	\$1.65 hr. average	7-1-49	Company assumed full cost of hospitalization and sick benefit plan. Formerly employees carried one half cost. (Int'l Ass'n of Machinists, Ind.)
Western Machine Company..... Milwaukee, Wis.	S	\$.055 hr.	7-8-50	120	n.a.	7-1-49	Same benefits as above. (No union)
	WE	\$.05 hr.	7-17-50	65	n.a.	n.a.	Five paid holidays: New Year's, Decoration Day, Labor Day, Thanksgiving and Christmas. Wage reopening 1-17-51. (Int'l Ass'n of Machinists, Ind.)
<i>Metals</i>							
Apex Smelting Company..... Cleveland, O.	WE	\$.05 hr.	8-14-50	150	n.a.	n.a.	Time and one half for Sunday as such. Double time if Sunday is sixth or seventh day. Holidays not worked computed as a day worked for purposes of overtime. Wage reopening 5-25-51. (UAW, AFL)
Brass Foundry Company..... Peoria, Ill.	WE	\$.05 hr.	6-16-50	55	n.a.	6-16-48	Wage reopening 6-16-51. (United Electrical, Radio & Machine Workers)
Crown Iron Works Company..... Minneapolis, Minn.	WE	\$.05 hr.	6-1-50	140	\$1.45 hr. average	6-1-49	Checkoff. Wage reopening 6-1-51. (United Electrical, Radio & Machine Workers)
The Dayton Malleable Iron Company GHR Foundry Division	S	\$.05 hr.	6-1-50	40	n.a.	n.a.	(No union)
	WE	\$.05 hr.	7-28-50	1,500	\$1.23 hr.	8-1-49	Increased weekly accident and sickness benefits, hospital daily benefits and dependent hospital daily benefits. Vacation pay of 120 hours for 15 years' service. Wage reopening 7-1-51. (United Electrical, Radio & Machine Workers)
Erie Tool Works..... Erie, Pa.	S	\$2 wk.	8-19-50	200	n.a.	n.a.	Same benefits. (No union)
	WE	\$.125 hr.	7-21-50	42	n.a.	n.a.	Increased contribution toward group insurance. Extra week's vacation for over 15 years' service. Six paid holidays instead of 5. First union contract with wage reopening in 1 year but no pension discussion for 2 years. (United Steel Workers, CIO)
Kennecott Copper Corp..... Chino Mines Division Santa Rita, New Mex. Santa Rita, New Mex.	S	\$.125 hr.	7-21-50	7	n.a.	n.a.	Same benefits. (No union)
	WE	\$.05 hr.	retro. to 12-16-49	42 engineers	\$11.66 day	6-12-48	Engineemen and firemen were granted an added 39¢ per shift. Wage reopening 6-12-51. (Bro. of Locomotive Firemen & Engineers, Ind.)
	WE	\$.05 hr.	retro. to 12-16-49	98	\$9.94 day to \$11.66 day	6-12-48	Employees in some classifications received additional increases ranging from 20¢ to 47¢ per 8-hour shift. Wage reopening 6-12-51. (Bro. of Railroad Trainmen, Ind.)
<i>Paper and Allied Products</i>							
Camp Manufacturing Co., Inc..... Franklin, Va.	WE	6.5%	6-12-50	430	\$1.05 hr. base rate	6-15-49	Three weeks' vacation after 15 years' service. Wage reopening once before 6-51. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL; Int'l Bro. of Firemen & Oilers, AFL)
Container Corp. of America..... Interstate	WE	\$.06 hr.	6-19-50	2,000	n.a.	n.a.	Three weeks' vacation after 15 years' service. Wage reopening 6-19-51. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Fraser Paper, Ltd..... Madawaska, Me.	S	\$.03 hr.	6-1-50	50 approx.	\$40 wk.	6-1-48	Three weeks' vacation after 15 years' continuous service. Wage reopening 6-1-51 or on 30 days' written notice by either party but not prior to six months from date of agreement. (Office Employees' Int'l Union, AFL)
Hudson Pulp and Paper Corp..... Augusta, Me.	WE	\$.03 hr. to \$.11 hr.	7-1-50	464	\$.94 hr. to \$1.555 hr.	7-1-49	Three weeks' vacation for 15 years' service. Computation of paid holiday toward overtime. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Inland Empire Paper Company..... Millwood, Wash.	WE	3% across the board	6-1-50	300 approx.	\$1.355 hr.	6-1-48	Three weeks' paid vacation for employees with 15 years' service. New Year's Day, Memorial Day and Thanksgiving Day nonrestricted holidays. Wage reopening 6-1-50. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Kalamazoo Vegetable Parchment Company Kalamazoo, Mich.	WE	5%	6-5-50	1,400	n.a.	n.a.	Result of wage reopening of contract signed 12-22-49 and effective until 6-1-51. Company granted voluntary 3% increase 9-11-50. (Int'l Bro. of Paper Makers, AFL)
	WE	5%	7-14-50	45	n.a.	n.a.	Wage reopening 7-14-51. Company granted voluntary 3% increase 9-11-50. (Int'l Bro. of Firemen & Oilers, AFL)
	S	8%	9-11-50	175	n.a.	n.a.	Result of wage reopening of contract of 12-22-49 and effective until 11-1-51. (Int'l Printing Pressmen and Assistants' Union, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Paper and Allied Products (Continued)</i>							
Ottawa River Paper Company..... Toledo, O.	WE	\$.05 hr.	6-1-50	165	n.a.	n.a.	Three weeks' vacation after 15 years' service with company. Wage reopening 6-1-51. (Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Mid-States Gunned Paper Company Chicago, Ill.	S WE	\$10 mo. \$.08 hr.	6-1-50 6-1-50	45 280	n.a. \$1.12 hr. common labor	n.a. 6-1-49	Same benefits. (No union) Additional 5¢ hour on third shift. Vacation qualification changed from 1 year employment prior to vacation period to 1 year anniversary date. Wage reopening 4-1-50. (UMW, Dist. 50)
Nicolet Paper Corp..... West De Pere, Wis.	WE	5%	5-29-50	170	n.a.	n.a.	Three weeks' vacation after 15 years' service. Wage reopening 6-2-50. (Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL; Int'l Bro. of Paper Makers, AFL)
St. Regis Paper Co..... Sartell, Minn.	WE	5%	6-1-50	247	\$1.05 hr. base rate male labor	6-1-49	One additional paid holiday making a total of 5. Three weeks' vacation after 15 years' service. Wage reopening on 60 days' notice by either party. (Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL; Int'l Bro. of Paper Makers, AFL)
Strathmore Paper Co..... W. Springfield and Woronoco, Mass.	WE	\$.05 hr. across the board	8-1-50	525	\$1 hr. base rate male labor	8-1-48	Three weeks' vacation after 15 years' continuous service. Wage reopening once during contract year on 15 days' notice. (Int'l Bro. of Paper Makers, AFL)
<i>Printing and Publishing</i>							
Minneapolis Star & Tribune Company Minneapolis, Minn.	S	\$1.50 wk. to \$3 wk.	3-15-50	250	\$30.50 wk. to \$55 wk.	3-15-49	Wage reopening 3-15-51. (Office Employees Int'l Union, AFL)
*New York World-Telegram & Sun... New York, N. Y.	S	\$3.50 wk. to \$6 wk.	8-50	n.a.	n.a.	n.a.	Two-year contract. During second year, increases from \$2 to \$3.50 week granted. Minimum rates raised. Employees to receive either increased minimum or general raise. Freeze on jobs for the first contract year. Thirty-five hour week. Improved holiday, vacation and military leave clauses. Night work premium. (Newspaper Guild of New York, CIO)
<i>Public Utilities</i>							
Central Illinois Electric & Gas Company Rockford, Ill.	WE	\$.045 hr.	7-16-50	397	\$1.513 hr. average	7-16-49	Wage reopening 7-16-51. (Int'l Bro. of Electrical Workers, AFL)
Minneapolis Gas Company..... Minneapolis, Minn.	WE	\$.062 hr. approx.	6-1-50	219	n.a.	n.a.	Company to contribute to group life insurance plan. Contract expires 5-31-52. (Office Employees Int'l Union, AFL)
Niagara Falls Power Company & Niagara Mohawk Power Corp. Buffalo, N. Y.	WE	4% across the board	6-1-50	n.a.	n.a.	n.a.	Minimum pension increased \$100 monthly including Social Security for employees with 25 years' service. In addition to their 2 weeks' vacation, employees with 10 to 15 years' service will receive one day for each full year of service prior to 12-31 of the preceding year. (Int'l Bro. of Electrical Workers, AFL)
Union Electric Company of Missouri Mo., Ill., Ia.	WE	\$.08 hr.	7-1-50	n.a.	n.a.	n.a.	Additional 2¢ hour increase in lieu of a previous retroactive wage settlement. Automatic 5¢ hour increase effective 7-1-51. Minimum pension of \$60 month, excluding Social Security, for employees retiring at age 65 with 30 years' service. For those employees already on pension roll, \$100 month, including Social Security. Two-year contract. (Int'l Union of Operating Engineers, AFL)
	WE	\$.085 hr.	7-1-50	1,451	\$1.609 hr.	4-1-49	One additional holiday. Wage reopening 7-1-51. (Int'l Bro. of Electrical Workers, AFL)
	S	\$.0958 hr. average	7-1-50	1,197	\$1.473 hr.	4-1-49	
<i>Stone, Clay and Glass</i>							
General Portland Cement Company Fort Worth, Dallas, Houston, Tex.	WE	\$.08 hr.	5-1-50	730	\$1.07 hr.	3-1-49	Weekly pay. Contract extends to 5-1-51. (United Cement, Lime & Gypsum Workers, AFL)
Lehigh Portland Cement Company.. Buffalo, N. Y.	WE	\$.08 hr.	5-1-50	240	\$1.17 hr. base rate	5-1-49	Additional 5¢ hour increase 5-1-51. Checkoff of union initiation fees and membership dues. Two weeks' vacation after 3 years' service instead of after 5 years. Two-year contract, no interim wage reopening. (United Cement, Lime & Gypsum Workers, AFL)
National Lead Company..... Malvern, Ark.	S WE	6% \$.04 hr.	9-1-50 7-11-50	29 41	n.a. \$.85 hr.	n.a. 7-11-49	No wage reopening. (Int'l Chemical Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Textiles and Allied Products</i>							
Bemis Bro. Bag Company..... Minneapolis, Minn.	WE	\$.08 hr. across the board	8-16-50	n.a.	n.a.	n.a.	(Textile Workers Union, CIO)
H. D. Lee Company, Inc..... Minneapolis, Minn.	S	\$25 mo. to \$50 mo.	3-1-50	25 approx.	\$135 mo. to \$200 mo.	n.a.	Contract in effect till 2-28-51 and to continue in effect from year to year unless reopened by either party by 30 days' written notice prior to any anniversary date. (Office Employees Int'l Union, AFL)
Liberty Throwing Co., Inc..... Wilkes-Barre, Pa.	WE	\$.05 hr.	6-5-50	330 approx.	n.a.	n.a.	Increased vacation and Blue Cross insurance. Wage reopening 3-15-51. (Textile Workers Union, CIO)
*Textile Manufacturers..... New England	WE	10% across the board	9-50	25,000	n.a.	n.a.	Voluntary increase to become part of present contract which expires 3-15-51. (Textile Workers Union, CIO)
<i>Transportation and Communication</i>							
Associated Telephone Co., Ltd..... Southern Calif.	WE	see remarks	7-1-50	2,764	n.a.	1-16-49	Increase ranging from 10¢ to \$1.90 a day brought about by 1½ year reduction on 7½ and 8 year wage schedules. No wage reopening. (Communications Workers, CIO)
	S	6½% approx.	5-1-50	311	n.a.	n.a.	(No union)
*Eastern Airlines..... New York	WE	\$.10 hr.	see remarks	2,500	\$1.90 hr. average top mechanics	n.a.	Five cents of increase is retroactive to 1-50 and 5¢ effective 9-1-50. Increase affects mechanics. (Int'l Ass'n of Machinists, Ind.)
*United Airlines..... New York	WE	\$.06 hr. average	9-50	3,560	\$1.88 hr. average top mechanics	n.a.	Increase affects machinists. (Int'l Ass'n of Machinists, Ind.)
<i>Miscellaneous</i>							
*L. Bamberger & Company..... Newark, N. J.	WE	\$2 wk. ware-housemen	8-50	140	n.a.	n.a.	Employer-paid hospitalization. Two-year contract. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen & Helpers, AFL)
Brown & Williamson Tobacco Corporation Louisville, Ky.	WE	\$.05 hr.	4-1-50	10	\$1.575 hr.	4-1-49	Additional 2½¢ hour increase 4-1-51. Two-year contract. No wage reopening. (Int'l Bro. of Firemen & Oilers, AFL)
Continental Oil Company..... Billings, Mont.	WE	\$.06 hr. weighted average	7-1-50	125	\$1.83 hr.	7-1-50	Wage reopening during first ten days of each contract quarter-year. (Oil Workers Int'l Union, CIO)
*General Contractors Association.... New York, N. Y.	WE	\$.20 hr. to \$.25 hr.	8-21-50	2,000	n.a.	n.a.	Employer-financed welfare fund. Seniority provisions. Increased holidays. Three-year contract. (Pavers and Road Builders, District Council, AFL)
Quaker Rubber Corporation..... Philadelphia, Pa.	WE	\$.05 hr. day worker	6-12-50	210	\$.98 hr. to \$1.85 hr.	6-18-50	Monthly pension of \$100, including Social Security, at age 65 with 25 years' service. Night shift differential of 2¢. Possible wage reopening after 11-1-50. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Weber Dental Manufacturing Company Canton, O.	WE	\$.06 hr. incentive \$.08 hr. non-incentive worker	5-16-50	90	n.a.	n.a.	Wage reopening 5-16-51. (United Electrical, Radio & Machine Workers)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
The Dayton Malleable Iron Company.... Ironton plant	WE	n.a.	n.a.	Pension plan. Increased life insurance, accidental death and dismemberment, weekly accident and sickness benefits and dependent surgical coverage. Wage reopening 11-1-50. (United Steelworkers, CIO)
Food Machinery & Chemical Corp..... Mechanical Foundries Los Angeles, Calif.	S	10-1-50	28	Company to pay 75% of cost of group insurance and Blue Cross. (No union)
Westvaco Chemical Corp. Carteret, N. J.* Middleport, N. Y.	S	10-1-50	113	Company-paid Blue Cross insurance. (No union)
	S	n.a.	75	Company to assume all cost of individual Blue Cross and group insurance. (No union, and Office Employees' Int'l Union, AFL)
Mengel Company..... St. Louis, Mo.	WE	n.a.	128	Company to contribute \$1 monthly toward cost of Blue Cross hospitalization. (United Bro. of Carpenters & Joiners, AFL)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—AUGUST 15 TO SEPTEMBER 15—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
*Ohio Rubber Company..... Willoughby, O.	WE	8-18-50	<i>n.a.</i>	Monthly pension of \$100 with disability clause. Three weeks' vacation after 15 years' service. Time and a half for Saturday work. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Pacific Telephone & Telegraph Company.. Oregon	WE S	6-1-50 6-1-50	3,343 1,099	Automatic wage progression schedules shortened. Some top rates increased. Maximum shift differential increased \$1. Car fare allowance of 20¢ per day for traffic operating employees working split shifts. Contract has minimum duration to 6-1-51; negotiations on new contract may not begin earlier than 30 days prior to this date. No wage reopening. (Communications Workers, CIO)
*E. R. Squibb & Sons..... New Brunswick, N. J. and Brooklyn, N. Y.	WE	retro. to 7-1-50	4,000	Cost of living allowance of 3.4%. Payments will be made quarterly for as long as the management feels conditions warrant.
*United States Rubber Co..... Passaic, N. J.	WE	8-50	2,000	Minimum pension of \$100 month, including Social Security, for employees 65 years of age with 25 years' service. Disability pension. Paid life insurance. Adjustment of several wage inequities. One-year contract. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)

¹Type of worker: WE, wage earner; S, salaried employee.

*Obtained from press reports—information not verified.

n.a. Not available.

NATALIE E. FRIEDMAN

Statistical Division

Note: Two increases reported for wage earners of the Phelps Dodge Corporation of Morenci and Ajo, Arizona, in the September *Management Record* were erroneously given as \$.40 an hour and \$.315 an hour. They should have read \$.40 a day and \$.315 a day.

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In the Record

What They Think about the GM Formula

The turbulent wake left by the wage formula adopted by General Motors and the United Automobile Workers this year has churned up quite a controversy among industrial relations men. Tying wages to the cost of living index has evidently brought about much new thinking on the issue of wage demands.

The reactions to the GM agreement vary considerably, of course. Some executives have incorporated the formula into their own contracts and are enthusiastic about it. Others will have no part of it. Many feel that a continued rise in the cost of living, coupled with the threat of a wage freeze, will force its adoption whether they like it or not. For executive comment on four vital questions concerning the wage formula, see page 412.

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Is the Salaried Worker's Salary Going Up?

When a unionized company grants a pay hike to its wage earners, it's often big news. In nonunionized companies, a general hike will rate headlines too. But what the same companies do for their salaried employees often isn't even mentioned.

Headlines or no, management's problem still remains thorny: What to do about increases for the salaried personnel when the production workers have been given an across-the-board raise?

To cast a little light on prevailing practices, THE CONFERENCE BOARD asked a number of companies, all of whom have granted across-the-board increases to their employees since June, 1950, how their salaried workers fared. A summarization, as well as actual excerpts from replies, is given in "General Salary Increases—Autumn, 1950," on page 415.

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The Problem of Benefit Plans

Getting a worker unhitched from his job when he goes on military leave is becoming more and more complicated. His company has probably set up a number of benefit plans based on his service and earnings. What happens to them while he is away must be decided before he leaves. Since the summer, this problem has contributed its share of

executive gray hairs. How 180 companies have handled their pensions, group life and hospitalization insurance, Blue Cross and Blue Shield, profit-sharing plans and annual bonuses in relation to their military leave policies is summarized in the story starting on the next page.

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Latest on Cost of Living

The latest information on October cost of living misses the *Record* deadline but warrants inclusion here. The strong upward thrust which carried THE CONFERENCE BOARD's index to 165.9 in September (January, 1939=100) finally subsided in October. The preliminary estimate, based on completed returns from ten large cities, shows a fractional decline after seven consecutive monthly gains. Underlying this heartening development was a drop in the cost of food which more than balanced the rises in housing, clothing and fuel. Against this, weekly earnings of wage earners established another new peak of \$60.53 a week (despite small cuts in the length of the work week), reflecting the current "round" of wage increases. Details are given in the articles on pages 423, 427, and 429, prepared by the Statistical Division.

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Why Do They Think That Way?

We've all found it difficult to figure out why the guy next door (who seems like a nice enough sort of fellow) should vote the Republican ticket when it's so perfectly obvious that any sensible person would vote Democratic. Or vice versa.

Getting the other fellow's point of view is no easy thing to do. Most of us have a feeling that the way *we* add up the score is the *only* logical way.

But sometimes understanding what makes the other person tick can pay dividends. That's what Personal Products Company found. Twenty-five company foremen and twenty-two union stewards and officials attended a joint course especially set up for this. Part of the training consisted in dramatizing grievances, with foremen and stewards switching roles. And this company thinks it paid off: grievances are handled more expeditiously and there are better relations on the front-line level. For a full description of the course and the company's experience with joint training for foremen and stewards, turn to page 417.

What Happens to Benefit Plans?

IT'S NOT like it used to be," commented one harried personnel director recently. "Employee benefit plans, and what we're going to do about them during military leave are giving me gray hair. Back in '41 all our company had to worry about were the provisions of the law regarding reemployment. We had only one benefit plan. Now we have to figure out what to do about pensions, group life insurance, group hospitalization, Blue Cross and Blue Shield, profit-sharing plans, and annual bonuses."

Since June many companies have been wrestling with identical problems. Highlights of THE CONFERENCE BOARD's survey of benefit plan provisions in 1950 military-leave policies are given below.¹ These findings are based upon information provided by the first 180 cooperating companies.

PENSIONS

Of the 180 cooperators, 153 have pension plans currently in effect. The types of plans by number of companies are as follows:

Type	Total	Contributory	Non-contributory
Group annuity.....	58	49	9
Trusteed.....	62	17	45
Nonfunded.....	21	2	19
Individual policy.....	6	2	4
Other.....	6	1	5
Total.....	153	71	82

Crediting Military Leave Time—Time in uniform will count in determining length of service required for pension eligibility with over nine out of ten cooperators. All but one contributory and twelve noncontributory plans have such a provision. This means, for example, that the employee with twenty-two years on the job and three in the Army would satisfactorily meet the pension requirement of twenty-five years' service.

Pension Funding During Leave—If you give an employee pension credit for time in service, how is the financing angle handled? The current survey shows that this depends to a large extent on whether the plan is contributory or noncontributory.

If contributory, three out of four companies are suspending all payments. No further funding is made until the employee returns. Some of these companies

¹A preliminary report on the induction bonus policies adopted in 150 companies is in the October, 1950, *Management Record*, pp. 378-379.

will permit the employee to "buy back" his military leave time upon return, in which case the company will also pay its share. If this option is not exercised, the employee's pension upon retirement, accordingly, will be smaller. The only exception to this is where the company guarantees a minimum pension upon retirement. In such cases, it will contribute whatever is necessary to meet the minimum.

In 15% of the contributory plans the employer will pay both shares for the duration of the military leave. Most commonly, the rate of earnings of the employee at the time he leaves is used as the basis for determining contributions.

A few companies are offering an employee the option of continuing his pension payments while on leave. But not many. "Too complicated," most agree.

In the noncontributory pension plan, three out of four companies will make contributions for the employee while he is in service, or upon his return. The remaining companies will simply suspend contributions while the employee is in service.

GROUP LIFE INSURANCE

Group life insurance plans are in effect in 169 cooperating companies; 127 are of the contributory type, 42 are noncontributory.

Canceled or Continued?—Only 10% of the contributory group life insurance plans will continue in effect, provided the employee makes his contributions and the insurance carrier continues to permit coverage at existing rates. Similarly, only 13% of the noncontributory plans will continue the coverage. The rest will cancel the policy. A great number of the companies canceling the coverage report that their insurance carriers either refuse to extend group coverage to employees in service, or have instituted prohibitively high war risk premiums.

If Canceled, How Soon?—Of the 149 companies canceling the group life coverage for employees entering military service, 70% do so within thirty-one days. Cancellations after sixty, ninety or one hundred twenty days are about equally divided among the remaining 30% of cooperators.

If Continued, Who Pays?—Thirteen of the twenty companies continuing group life coverage have the contributory type. In eight of these thirteen however,

the employer will take over the total cost of the premiums after the employee leaves.

Pay for NSLI Premiums—In canceling group life coverage for employees going into service, some companies have felt that (a) the timing of such reduced life insurance protection is unfortunate, and (b) the alternative burden of government insurance might impose a financial hardship. As a result, slightly less than one out of five companies canceling group life coverage are planning to contribute to the employee's National Service Life Insurance premiums. Of the twenty-seven companies doing this, about two thirds will reimburse the employee for the amount of insurance coverage held under the group plan. Except for a few companies limiting the reimbursement to a one-year period, all companies will continue these payments for the duration of the military leave.

GROUP HOSPITALIZATION

Once a man goes into uniform, his worries about personal hospitalization expense are pretty well taken care of. He gets free care and would have little reason for wanting group hospitalization protection. Not the same can be said, however, for his dependents back home. And in many cases, the serviceman is financially less able to provide proper protection for his dependents. Thus, almost one out of four cooperators having a group hospitalization plan are planning to continue dependency coverage where it exists. It appears this is being done more frequently where the plan is financed in whole or in part by the employer. For example, one third of the companies (six out of eighteen) regularly underwriting the complete cost of dependency coverage will continue to do so in the employee's absence. Similarly, in one third (twenty out of sixty-one) having a jointly financed plan, the employer will foot the whole dependency coverage bill. In less than a fourth (six out of twenty-seven) having a completely employee-financed group plan will the company pay for dependency coverage.

BLUE CROSS AND BLUE SHIELD

Practices of the ninety-eight companies currently providing Blue Cross coverage for dependents vary widely, depending on the type of financing in effect. For example, five of the thirteen completely employer-financed plans will continue to pay the full cost of dependency coverage during military leave. On the other hand, only five of the twenty-seven jointly financed plans and three of the fifty-eight employee-financed plans provide for continued dependency coverage by the company.

A similar observation can be made on the sixty-eight cooperators having Blue Shield plans in effect. Four of the ten companies paying all costs will continue to do so for the dependents of men entering the service. However, only five of the twenty-two jointly

Requesting Army Reserve Delays

A standardized form and procedure now in use by the Army and the National Guard may simplify a company's headaches in submitting deferment requests for "key" managers and critically skilled employees. All requests for such delays must now be submitted on DA AGO Form 591, "Delay in Orders to Active Duty." A supply of these forms may be obtained from the nearest Military District Headquarters (Army) or the State Adjutant General of the National Guard.

Since many of the questions asked require documented support, and since the deferment request can be submitted only *after* the reservist has received his orders, a company's familiarity with these forms now would be desirable.

A detailed explanation on the use of these forms is contained in Army Regulations 135-230. These regulations are published by the Department of the Army, Washington 25, D. C., and are available at all Military District Headquarters.

financed plans and two of the thirty-six employee-financed plans will follow this practice.

PROFIT-SHARING PLANS

Only twenty-three of the cooperators have a profit-sharing plan in effect for their nonexecutive personnel. One fourth of these (six) provide for some type of payment to departing employees. Two companies will prorate the profit-sharing bonus for the number of months worked in the year of departure. The other four will continue to pay full shares for the entire leave of absence based upon the man's annual earnings at the time he goes on leave.

CHRISTMAS BONUS

Slightly over half of the forty-nine companies having a Christmas bonus plan will consider the departing employee as partly or wholly eligible for such payment. A prorated share will be forwarded to the employee in fourteen companies. Five firms will forward a full bonus to him, just as though he had been on the payroll for the full calendar year.

VACATION PAY

Virtually all cooperators pay employees for vacations fully earned but not taken at the time they enter service. Two out of five go beyond this, however, and grant prorated vacation pay to employees for the time "earned" toward their next vacation. It should be pointed out that many of these firms base their regular vacation plans on the accrual principle.

JOHN J. SPEED

Division of Personnel Administration

Reactions to The 1950 GM Formula

WHAT is the reaction to the wage formula adopted by General Motors in its five-year pact with the UAW-CIO? Sixty-two leading executives replied to the following four questions:

- Do you intend to use the GM cost of living formula as a basis for your negotiations?
- How do you believe it would work in your industry?
- Do you think that use of the GM cost of living formula will be widespread?
- If a wage freeze goes into effect, do you believe that prior wage increases granted under the GM formula would act as a criterion for permissible increases in other companies?

In 1948, these same executives were queried immediately after the signing of the first GM-UAW cost of living pact.¹ The same first two questions were asked in both the 1948 and the present survey. To that extent this survey furnishes a measurement of the changing attitudes toward the GM wage formula.

WHAT THE EXECUTIVES SAY

In brief the replies show:

1. More than one out of four are either using the GM formula or are seriously thinking of using it in negotiating their wage agreements. Most of these executives are enthusiastic about the formula, though several have reservations. In comparison, in 1948, less than one out of seven thought seriously of using the formula in negotiations, and many in this group were just lukewarm toward it.

Three out of four say they definitely will not use the formula in negotiating their wage agreements. Their reasons: Neither the union nor the workers favor tying wages to the cost of living; past experience with escalator clauses has been unfavorable; they work well on the way up but not on the way down. Some executives point out that the same conditions do not obtain in their industry as exist in the auto industry.

2. One out of four executives believes that the GM formula will work in his industry. In almost all cases, these were the same executives who used or intend to

¹See "Reaction to GM Wage Formula," in the July, 1948, *Management Record*, p. 337.

BACKGROUND

On May 29, 1950, General Motors Corporation signed a history-making five-year agreement. Unlike its 1948 agreement with Walter Reuther's UAW-CIO, this agreement was copied widely, both in and out of the auto industry.

In addition to pensions, group insurance and other fringe items, the GM agreement provided a four-cent hourly wage hike, which was labeled an annual improvement factor to increase the worker's standard of living. Under the agreement, wages will automatically rise another 4 cents each June 1 until 1955—a total of 20 cents.

The built-in roller coaster aspect of the 1948 agreement is continued in the new contract. Every three months, wages will automatically rise or fall at the rate of one cent for every 1.14 points change in the Bureau of Labor Statistics consumers' price index. No ceiling is set on the amount wages can rise to keep up with the index, but employees can lose no more than the 8-cent cost of living adjustment now in effect. The agreement establishes this floor by stating that downward wage revisions (within the five-year contractual period) shall not go below this floor if the BLS index drops lower than 164.7.¹

¹The complete text of the General Motors UAW-CIO wage formula is given on page 370 of the October, 1950, *Management Record*.

use the formula. A few feel that even though the formula would work in their particular industry it should not be adopted because of its effect on the nation's economy.

3. Three out of four believe that use of the GM formula will be widespread. Many feel that a continued rise in the cost of living plus the threat of a wage freeze will force officials of both labor and management into adopting the cost of living formula whether they like it or not.

4. If there is a wage freeze, the GM formula definitely would be a criterion for wage increases in the opinion of more than three out of four of these executives. Smaller companies would be allowed to raise their rates to the going rate of larger companies that had granted previous escalator clause increases, in their opinion.

Because a large number of workers are already covered by escalator clauses, some executives believe that such provisions may be permitted to continue during a wage stabilization period.

WHO WILL AND WHO WILL NOT

As already indicated, some companies have adopted GM-type wage agreements. Most of those who signed up this year are quite enthusiastic about its use. One such company writes:

"We have just granted a 5% across-the-board general increase to our employees in our eastern plant. In addition to this, we have established a cost of living formula, using the July index of 172.5 as a base. For each 1.725 increase in the index, wages will be increased 1%, with adjustments being made monthly on the basis of the last published index figure. We used 172.5 as a base because it was the most recently published figure and because it was practically the same as the index at the time of our last wage increase in 1948."

However, as was the case in 1948, a large majority of industrial relations executives flatly reject use of the General Motors escalator formula. An executive of a midwestern company that has had experience with escalator clauses writes:

"We entered into a contract with our union during December, 1946, based upon the Bureau of Labor Statistics cost of living price index for our city. The September, 1946, figure for our area was used as the base, and it was agreed to add or subtract one cent per hour for each rise or fall in the cost of living figure. The index rose as high as thirty-one points before it began to decline about six points. Needless to say, the deduction of six cents per hour in pay was not well received by our employees, so in December, 1949, we negotiated a new contract, eliminating fluctuations in hourly pay based upon the cost of living."

Speaking from his personal experience, one eastern manufacturer says he will not sign another escalator clause contract. He found:

- Escalator clauses are "ratchet rigged" in that upward adjustments can be made without limit, but wage decreases were difficult to make without damage to productivity. In addition, his unions were often unable to control their membership when downward revisions were in order.

- In his annual reopenings he could not get rid of unworkable clauses in his contracts by trading them off for wage increases. Because his escalator clauses seemingly gave wage increases for nothing, he found that he was in the difficult position of having nothing to bargain with at contract reopening time.

A midwestern manufacturer gave automatic wage boosts amounting to 13% under his escalator contract. But despite the increases, he says there was widespread dissatisfaction among his employees with the escalator provision. His company was "never entirely

sure that a straight wage adjustment would not have been better received. Everyone seemed to consider the escalator provision a new 'gimmick' designed to save money, whereas actually it was very costly." A western labor relations executive adds, "Our personal experience has been that our workers are afraid of escalator clauses and would much prefer to bargain specifically on wage issues at periodic intervals rather than to tie their earnings to a cost of living pattern."

Another midwestern employer offered the union an escalator clause. The union accepted. But the workers, in referendum vote, voted it down. Instead they asked for and accepted a flat 10 cents an hour increase.

A West Coast company's executive states that his firm favors giving across-the-board increases based on national and area trends. He writes:

"We are in negotiations at the present time with some of our unions on wage questions. We have not been using the cost of living formula; rather we have been giving across-the-board increases based on national and area trends. It is not our intention at the present time to use the cost of living formula, primarily because we do not know if it would work in our industry. I am recommending to our company that the problem be studied from a standpoint of economics to find out if such a formula would work. My personal opinion is that it would not, because our business differs considerably in many aspects from the automotive industry."

Use of Annual Improvement Increase

It is interesting to note that some of the firms that reject the GM formula actually have adopted the annual improvement factor. This is true of a number of companies in the electrical industry. One company, for instance, which has just concluded negotiations with a local union writes:

"Our new contract, which called for a five cents an hour increase to be effective on October 2, 1950, also provides for a five cents an hour increase to be effective April 2, 1951. The contract then runs without a reopening for any reason until April 1, 1952."

DEPENDS ON THE INDUSTRY

Almost every executive who states that he does not intend to use the formula also claims that he does not believe that it would work in his industry. Many point out that the cost of living formula is used primarily in the automobile industry. The characteristics of this industry are quite different, they say. Typical of such comments is the following from an electronics manufacturer:

"I personally believe that the GM formula would work well in our industry—if our industry had the same cohesiveness as the auto industry. As you undoubtedly know, the manufacture of component parts for the electronics industry embraces many large and small companies—their number running into the hundreds. Many of these companies are unorganized, many in outlying

nonindustrial areas, and the industry, if anything, is characterized by its lack of uniformity in many respects."

An executive of a large real estate firm writes:

"Were we able to adjust our rents with the same frequency that manufacturing companies normally can adjust prices, the GM cost of living formula could be applied effectively. We are still operating under rent control laws."

Those companies that have an escalator clause naturally believe that it is adaptable to their industry. However, some of them have doubts as to how well it will work in the economy as a whole. One executive says:

"We believe that it tends to perpetuate and reinforce a rising price level during periods when demand for goods and services exceeds the available supply. For example, in a wartime period, the standard of living is normally reduced because civilian production is converted to war uses. When this occurs, it is necessary to reduce the buying power of money income through either price increases, taxation, or direct rationing of goods and services. To raise wages every time prices increase would place the burden more heavily on the latter two alternatives."

WIDESPREAD USE OF FORMULA?

Use of the GM formula will be widespread, say three out of four executives. Even those who do not intend to use the formula believe it will be used extensively. For example, an executive states that "under present uncertain conditions, especially with a resurgence of the upward spiral, I believe that the GM formula will become widely used."

Another executive, who is strongly against the use of the cost of living formula for wage negotiations, states: "We believe that the GM cost of living formula will be widespread, although we do not think it is a good thing."

Some executives, however, do not believe that the General Motors formula will be widespread. One who analyzed it rather carefully wrote as follows:

"I personally do not feel that the General Motors formula will be as widespread as some people seem to believe. My reason for this is that recent surveys in labor publications show a trend in most AFL unions to oppose any tie-up of wages with cost of living figures. I believe the same thing is true with quite a few CIO unions."

A New England manufacturer who doesn't believe the GM formula will be widely adopted, points out:

"The basic reason for adopting the formula is to gain long-term stability in labor relations. However, John L. and many of his imitators have showed that no labor-management contract serves as a bar to the opportunist machinations of some labor leaders. If a long-term contract prevented some immediate gain to the union or to the workers, there would ensue a rash of 'spontaneous' walkouts, wild-cat strikes, slowdowns, etc. It would not be necessary to involve an entire factory in such activities—one department or a few strategic sections could en-

gender so much pressure against the management as to bring it to terms—new terms—with the union.

"Some union leaders dislike long-term commitments because they honestly fear a restive membership if the contract terms should become anachronistic in the eyes of the rank and file. Other union leaders are now even seeking contract stipulations absolving them from any liability in connection with (and in preparation for) so called 'unauthorized' strikes or impeding of work.

"In any event, the management, in my opinion, receives promises written in sand while the company stands committed in granite to fixed terms over a period too long to allow for reasonable safety in business prognosticating."

A number of executives tie widespread use of the escalator formula to the possibility of its continuing during a wage freeze. Typical of such replies is the following:

"If wages are frozen and cost of living adjustments are still recognized as valid, there will be even more escalator contracts signed."

CRITERION FOR WAGE STABILIZATION

Possible increases under a wage stabilization program would be geared to increases already granted under the GM formula—according to three out of four executives. A specific example of how this would work was given by the executive of a West Coast company:

"Under a wage freeze, as I recall from the experience of the past war, the criterion for permissible increases in other companies has to do with the relationship between present rates and not how certain companies arrived at those rates. Therefore, if the majority of leading companies in an area had a labor rate of say \$1.25, which had been reached largely through the use of an escalator clause, the smaller companies would be allowed to raise their rates to the going rate, regardless of how the larger companies had achieved that level."

In the same vein, another executive writes that "We know from past experience that the famous Little Steel formula was based on prior wage increase practices of a group of companies. On the basis of World War II experience, this indicates that the GM formula might act as a criterion."

Another opinion comes from a western manufacturer. He does not believe that the GM formula will be controlling. He feels that merit increases and length-of-service increases will set the pattern:

"Our experience during the last war, when wages were frozen, was that the administrators of the law paid much more attention to established practices of merit increases and length-of-service increases than they did to the general wage level. Unless future increases under the GM plan are material, i.e., more than a few cents an hour, they will not have much bearing as criteria for permanent wage increases in other companies."

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

General Salary Increases Autumn, 1950

MAJOR changes in wage rates of hourly employees generally make the front pages of newspapers. Settlements of steel or rail strikes over wage matters, the General Motors cost of living adjustment and the annual improvement increases, the Aluminum Company's offer of a 10% general wage hike—these are all news items that receive wide publicity.

But general changes in salary rates do not seem to merit the same publicity. In a unionized company, once the wage settlement is made, the salary adjustment which follows is often cut and dried and is not considered particularly newsworthy. And in many nonunionized firms, it is traditional that salary adjustments are not a proper subject for press releases or wide publicity. As a result, published material on general salary increases, as contrasted with wage settlement announcements, is relatively scanty.

Since all companies, whether unionized or not, have salaried employees, there is a need for information on prevailing practices affecting this group.

General salary increases in industry in recent months are discussed below for unionized and non-unionized companies.

I. Unionized Firms

Managements caught up in the post-Korean flood of negotiated wage settlements find themselves confronted with the perennial problem of what to do about their salaried employees. Should they be given a general increase? If so, what should be the amount? And how should it relate to the amount of the wage settlement?

To find out how these questions are being answered in actual practice, THE CONFERENCE BOARD addressed inquiries to a number of industrial firms that since July, 1950, have made across-the-board upward adjustments in the rates paid their production workers.

As a rule, the amount of salary increase, especially at the lower levels, was found to be approximately the same as that given the hourly employees. However, in only four out of sixteen companies was the salary adjustment a flat amount. In the majority of cases, a percentage or sliding scale was used.

The top salary to which the general adjustment applied varied widely from company to company. At one extreme, one company excluded only officers,

another only directors, and a third excluded only three top executives. On the other hand, three companies set the ceiling at \$500, \$650, and \$750 a month.

Excerpts from sixteen replies start on page 416.

EMPLOYEES OVER THE MAXIMUM

In applying a general increase, the question is sometimes raised how to treat employees receiving in excess of the established maximum for their positions. Should such employees receive the full amount of the general increase, or should the excess be offset against the amount of the increase, in order to bring the employee within the established range?

A majority of the cooperating companies state flatly that general increases are granted to all employees alike, with no exceptions made in the case of employees over the maximum.

A few of the respondents, however, qualified their remarks as follows:

"In the case of individuals being paid above the maximum rate for their job, the department heads were permitted to decide whether the salary of these individuals would or would not be adjusted. In almost every case, the increases were granted, but there were a very few exceptions."

* * *

"Salaried employees receiving more than the maximum rate for their jobs received the full amount of the general increase, with the exception of a very few cases on the exempt salary roll (and under the cut-off figure)."

* * *

"There is no fixed plan in connection with people who receive more than the maximum rate for their job. They either receive the full increase or only part of it, depending on the estimated value of the particular person involved."

However, one company states that "Salaried employees whose base rates of pay immediately prior to the date of the increase were in excess of the established maximum rates of their respective job classifications received the difference, if any, between such base rate of pay and such maximums as increased by the above-mentioned base rate adjustment."

GENERAL vs. MERIT INCREASES

In assessing the effect of an across-the-board salary increase, it is important to know whether the increase

is granted in lieu of a normal merit increase program or whether it is given in addition to merit increases. Obviously, a large general increase which is designed to take the place of merit increases is, in effect, less liberal than a smaller general increase which supplements the normal merit increase plan.

To learn the effect of general increases upon merit increase programs, THE CONFERENCE BOARD asked the cooperating companies to hazard an opinion as to the percentage of employees that might receive merit increases in the year following the granting of the across-the-board adjustment. Clearly, in today's uncertain times, such an estimate can be little more than a guess. The replies, however, do bring out the thinking of the companies as to the proper role of the general increase.

The majority of the cooperators report that their normal merit increase programs will not be affected by the recent general adjustment. In a few responses, there is a noticeable feeling that merit raises will inevitably be fewer and smaller. But by and large the two kinds of adjustments are viewed as entirely independent of each other, and most of the companies foresee no change in their merit policy.

Examples of the replies are shown on page 437.

II. Nonunionized Firms

In recent months, the managements of nonunionized firms have begun to feel the effects of the tighter labor market, accelerated turnover, and complaints of rising living costs. Many are giving careful study to the need for upping their salary rates. THE CONFERENCE

BOARD addressed inquiries to a number of nonunionized organizations such as banks and insurance companies to learn what concrete measures had been adopted.

One word of caution is necessary. This survey is not based on a random sample. The cooperating companies are institutions that announced that they had made, or were rumored to have made, general salary adjustments. Consequently, the comments that follow are not necessarily representative of the action taken by the bulk of unorganized firms.

The adjustments made by the cooperating banks varied widely. Where across-the-board percentage increases were made, 4%, 5%, 6%, 6½%, and 10% were reported. Other types of adjustments included an increase of a flat amount, an increase based on a sliding scale and a combination percentage and flat amount.

Excerpts from the replies of seventeen such companies, two of them insurance companies, the rest banks, are given on page 439.

EMPLOYEES OVER THE MAXIMUM

All of the nonunionized cooperating companies were asked whether the general increase, if any, was denied employees receiving more than the established rate of their positions.

None of the companies acknowledged making such exceptions. Most of them explicitly state that no exceptions were made by reason of the employee's having an out-of-line rate.

HERBERT S. BRIGGS

Division of Personnel Administration

Excerpts from Replies of Unionized Firms

GENERAL INCREASE FORMULAS

(Manufacturing company—hourly employees: 10 cents)

"We granted a 6% increase to all nonorganized salaried employees whose base rates were less than \$10,000 annually. These increases were effective October 9, the same day as the hourly increases were effective. We will make some adjustments at the \$10,000 level to correct a few inequities brought about by the increase of those just below \$10,000."

* * *

(Manufacturing company—hourly employees: 10 cents)

"Back in May we guessed that the 1950 wage pattern would be between four to six cents. Accordingly we adjusted monthly salaries on June 1 by \$10 or 5%, whichever was greater, making the adjustment to the closest \$2.50 or \$5. Because of the general movement of wages and salaries in other industries since Korea, we gave an additional percentage on October 1 making a total of 10% for

the June 1 and October 1 adjustments. The adjustment given to lower-graded employees was \$17.50 up to \$185, or 10%, rounded out as mentioned above to the closest \$2.50 or \$5 amounts.

"In making a level adjustment, we have found it imperative in order to maintain equity to give the adjustment up through our key officers, with the exception of the three top executive officers. This approach has been used in the last four or five of our level adjustments."

* * *

(Manufacturing company—hourly employees: 10 cents)

"We gave a general increase to our unorganized salaried employees of 7%, with a minimum of \$17.50. The increase was applicable up to and including those employees earning \$750 per month. This figure was arbitrarily selected to maintain the existing differential between supervisory levels."

(Continued on page 436)

Joint Training for Foremen and Stewards

PUT a foreman in a steward's shoes—and *vice versa*—and you may end up with two people who have a greater understanding of each other's point of view. At least that was the thought of the Personal Products Company, Milltown, New Jersey, last year when it conducted a series of joint training classes.

Twenty-five company foremen and twenty-two stewards and union officials attended a training course focused on grievances, their causes, and their proper handling. They studied human behavior. What are people like? Why do they act as they do? What makes them tick?

They put their discussions to the test by dramatizing grievances. They switched roles: foremen were stewards; stewards were foremen. In some instances, both assumed the role of supervisors. When it was over, all parties agreed that it had been stimulating. For the company, it was more than that. Personal Products thinks that grievances are being handled much more expeditiously. Even more important, according to the company, are the better relations on the front-line level, which the company believes can be attributed to the course.

Not that relations with the union were ever bad. The union at Personal Products is a local of the International Brotherhood of Paper Makers, AFL. It signed its first contract with Personal Products in 1946. From the outset, the contract has provided for a union shop. There have been no strikes, no wildcat stoppages. There haven't been too many grievances of a formal nature. The company emphasizes that the union has been cooperative and easy to live with. That is one of the main reasons, says the company, why such a training class for both stewards and foremen was possible and successful.

ACCENT ON GRIEVANCE PRESENTATION

However, despite the existing good relations, both the company and union decided that a course accenting the handling of grievances would encourage even better relations. That decision was based in part on the incomplete or inadequate presentation of grievances which had been appealed to higher levels.

The grievance procedure outlined in the contract allows an aggrieved employee to take up any question of pay, wages, hours, or other conditions of employment with his departmental foreman. If the foreman's decision is not satisfactory to the employee, his complaint becomes a formal grievance. It is then considered by the departmental steward and foreman

Some Training Practices Adopted in the Personal Products Company Course

- Outside instructor—to promote objectivity and to encourage freer conversation than would be likely if a "boss" were in charge.
- Small groups—no more than twenty-five people to insure greater individual participation.
- Warm-up session—to get group better acquainted at the outset.
- Visual aids—extensive use of blackboard diagrams. Sound movie on grievances to heighten interest. These serve as basis for discussion.
- Role playing—to increase understanding of the other fellow's problems; to leave a more lasting impression of the material discussed.
- Wire recorder—to recreate scene for objective appraisal of participants.

(first step); next it is considered by the local union president and department superintendent (second step). If not settled at these levels, the employee's grievance goes before an adjustment committee of six union members and the director of industrial relations. The department superintendent, foreman and steward also participate.

The parties agreed that it was at this third level that more information was needed. The facts presented were not telling the whole story. The grievances were evidently "symptomatic," rather than "basic," according to the company. Top officials of the company and the union agreed that a jointly sponsored and jointly attended class might help plug the gaps. They had had one such joint course, designed to give both groups a more thorough understanding of the contract, and both foremen and stewards gained something from these previous sessions.

In undertaking the new course on grievance procedures, the union and the company sought to avoid any feeling that the instruction might be slanted. They asked the Institute of Labor and Management Relations at Rutgers University to conduct the course. The company and union supplied the ideas they wanted discussed, and the Institute supplied the outline, which was approved by both management and the union. An instructor from Rutgers University directed the course. The union paid a fee of \$2.00 to the Institute for each steward attending the course; the company paid the \$2.00 fee for each foreman.

The course itself consisted of six two-hour classes. To keep the class number small, two sessions were held: one at the end of the first shift, the other at the beginning of the second shift. Foremen and stewards attending during their own shifts received regular earnings. A few foremen on the third shift attended on their own time.

CLASSES HUMANIZE RELATIONS

The first three classes were conducted by the conference method. The first meeting consisted of an ice-breaking period during which each member introduced himself and identified the type of work and work problems he dealt with. This was followed by a quick survey of the background of current labor-management relations.

The second class had as its main emphasis the human relations aspect of handling grievances. Discussion centered on the Western Electric studies. Here the instructor tried to show that the full and complete understanding of an employee's grievance was only possible in terms of the worker's personal history along with his employment history and the company situation. For emphasis, the instructor asked various members of the class to cite some actual grievances or work problems they had been confronted with and to evaluate them in terms of the employee's background.

An entire session was next devoted to the proper handling of grievances. The grievance procedure used at Personal Products was analyzed, with a spotlight on the functions of the various people involved at each step. A union-produced film strip, "How To Handle a Grievance," provided a basis for discussing the nature of grievances and their relationship to violations of the contract and company rules. To localize the discussion, the instructor posed a number of typical grievances. The foremen and stewards were then asked to categorize them as grievances, complaints or grudges, and to cite applicable clauses of the Personal Products contract that might cover the situation.

Having thoroughly dissected and digested the what, why and how of grievance handling, the foremen and stewards spent the next three classes attempting to apply the principles by dramatizing concrete situations. In the first of these three sessions, the foremen and stewards played their own roles. But in the next two sessions, they exchanged roles and enacted the handling of first- and second-step grievances. The procedure adopted called for a steward and a foreman to leave the classroom long enough to agree on the type grievance they would attempt to handle. They then returned and the "steward" presented the grievance, and the "foreman" asked questions; they debated the facts, and in many cases reached a mutually acceptable decision. In others,

they agreed to let it go to the next step. It was strictly "give and take," as it would have been on the shop floor.

After each mock grievance, the class made criticisms: "The foreman should have asked this." . . . "The steward should have done that." . . . "That point shouldn't have been brought up." . . . "Why didn't you mention this clause of the contract?" . . . "You shouldn't have considered the grievance in the first place." Any disagreements about who said what were quickly settled through playbacks on a wire recorder. The recorder also gave each participant a chance to hear his own voice, count "er's" and "ah's," and appraise his own performance.

Role playing provides a fertile chance for ribbing and horseplay. But none was too evident in this situation. All those who attended the classes were serious about the roles enacted and they tried hard to be objective in their criticisms. Everyone in the class had a chance to play one or more roles. The company's training director, who sat in as an observer, noted that it did not take long for the men to get the give-and-take spirit of role playing.

The instructor reported that the foremen were particularly effective in the role of stewards. During the critiques, the foremen did not hesitate to make constructive suggestions on how a steward might have presented or handled the grievance more effectively. Similarly, the union stewards were particularly helpful to the foremen, according to the instructor, in discussions relating to discipline or instruction of employees. During the period of criticism, the instructor interrupted only when it was evident that points were being missed or the criticism or discussion was drifting off the main theme.

GRIEVANCES ENACTED IN SKITS

Hypothetical grievances and grievances that had actually arisen in the past were used during the role-playing skits. An attempt was made, however, to avoid the use of current grievances. Both parties agreed that any classroom discussion of pending grievances might affect the actual decision finally reached. Hypothetical grievances chosen by stewards and foremen most often centered around salary inequities, work assignments, overtime and call-in pay, and the problem of foremen doing production work.

As often as possible, stewards and foremen from the same department were chosen to stage a grievance session. This lent a tone of reality to the role-playing session. Since both were familiar with the people, jobs and functions of the particular department, it was simpler to conceive of reasonable grievances and discuss them in terms of the actual plant situation.

The course had one unexpected aftereffect. It became apparent to the union that stewards were not

adept at talking and thinking on their feet as were the foremen. In an attempt to remedy this, the union is asked Rutgers to conduct classes in public speaking for the stewards.

Some companies shy away from joint training sessions for both foremen and stewards. They imply that such training does not add to the prestige of the foreman as a management representative. Also, some companies feel that because their foremen are more highly trained than stewards, the foremen have less to learn from such a joint class. To a certain extent, this was true at Personal Products. The instructor

noted that the foremen were at a higher level of development. But, as far as the company is concerned, the advantages gained from having the two groups meet in class and get to know each other's thinking on grievances has outweighed other considerations. Now the company is considering holding still another joint class on other phases of the steward-foreman relationship.

STEPHEN HABBE

HAROLD STIEGLITZ

Division of Personnel Administration

Trends in

LABOR RELATIONS

NLRB Limits Association Bargaining

In what may be a blow to association-wide bargaining, the NLRB ruled, four to one, that members of an employers' association violated the Taft-Hartley Act by discharging their employees because the employees' union struck against one member of the association.

The background of the case is this: The employer association and the AFL Distillery, Rectifying and Vine Workers International Union were deadlocked after bargaining for three months. As part of their divide-and-conquer strategy, the union thereupon called upon one member of the association, the Old Rose Distributing Company, to sign the agreement that the employers' association refused to sign. The company refused and the union struck.

Thereupon, all thirty-five of the employer-members of the association, including the one whose plant was struck, "discharged"—according to the NLRB majority—their employees, approximately 700. The board majority said that this constituted an unfair labor practice. They ordered the companies to reimburse the salesmen for wages and commission they lost. The salesmen were discharged (or laid off) April 8, 1949, and were taken back on their jobs about May 1, 1949, after terms for a new contract had been agreed upon by the association and the union.

Boiled down to simple terms, the majority decision means:

1. A union, when it reaches an impasse in bargaining with an employer association, may single out one employer and strike him. Other association members may not in turn discharge their workers in the belief that a strike against one is a strike against all employer-association members.

2. A union which strikes to force an employer to deal with it on an individual basis, instead of as a member of an employer-association bargaining unit, is not violating Section 8 (b) (1) B of the Taft-Hartley Act, which says that a union cannot coerce the employer in his choice of his bargaining representative.

Board member James J. Reynolds, Jr., in his dissent, took the view that the salesmen were only temporarily laid off and not discharged "in any real or practical sense." He held further that the employers had a right to lay off their salesmen to protect their bargaining position when the union resorted "to a divide-and-conquer strategy designed to force the employers to abandon association-wide bargaining and to capitulate to its economic demands on an individual basis." He also held that union members forfeited the protection of the Taft-Hartley Act because the union violated the act by attempting to force one employer to agree to a contract which the association, as bargaining agent for all the employers, had turned down.

Special Clause for Pregnant Women

Clauses covering working conditions for pregnant women are relatively rare. A Detroit company's recent contract with the UAW-CIO contains a pregnancy clause that is unusual because of its complete coverage. It permits a woman to work until two months before expected delivery and requires a doctor's certificate to continue her leave of absence beyond two months after delivery. The clause reads as follows:

"Pregnancy—Section 10. The following provisions shall apply to employees who become pregnant:

"(a) Whenever an employee shall become pregnant, she shall furnish the company with a certificate from her physician stating the approximate date of delivery, the nature of the work she may do and the length of time she may continue to work. Thereafter, upon the request of the company, she shall furnish an additional certificate containing like information every thirty to forty-five days.

"(b) She shall be permitted to continue to work, in suitable employment, in accordance with her physician's recommendation; and she shall be allowed to work until two months before the expected date of delivery, if her physician certifies that she is able to continue working.

"(c) She shall not be employed on the midnight shift; nor more than eight hours a day nor more than forty-eight hours a week; nor at any work requiring heavy lifting, or continuous standing or moving about, or other work listed as hazardous for pregnant women by the Children's Bureau and the Women's Bureau of the U. S. Department of Labor; and she shall be allowed a fifteen-minute rest period during each half of the work shift.

"(d) Whenever she is required to interrupt her employment upon the advice of her physician, she shall be immediately granted a leave of absence until she is able to

return to work. Upon presentation by her of a certificate from her physician that she may return to work, she shall be so returned, and her seniority shall accumulate during the period of such leave of absence.

"(e) She may return to work after delivery upon the presentation of a certificate from her physician that she is able to work. Upon her return she shall be placed in suitable employment in accordance with recommendation of her physician.

"(f) Upon the expiration of a period of two months after delivery, the company shall have the right to require a physician's certificate in support of her request for a continuation of her leave of absence, at intervals of not less than thirty days.

"(g) It is understood that these clauses applying to employees who become pregnant shall not be construed to deny or restrict, but shall be deemed to enlarge, any rights (including rights involving leaves of absence or light employment) to which they may be entitled under any other provisions of this contract."

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Briefs on

PENSIONS AND OTHER BENEFITS

Pensions Run into Money

Employers were contributing over \$1 billion a year in 1947 toward pension and profit-sharing plans, according to a release of the United States Treasury Department. The report, based on corporation income tax returns filed in 1948, analyzes the amounts deducted from income for pension and profit-sharing plans under Section 23(p) of the Internal Revenue Code.

The \$1.038 billion deducted in 1947 represents an increase of 25% over the preceding year, when \$835 million was deducted. Undoubtedly 1949 and 1950 will show an even more spectacular increase in employer contributions because of the widespread adoption of pension plans during these years.

Pensions in British Industry

Although government pensions or assistance grants now cover all the working population in Great Britain, this has not ruled out the maintenance or development of privately financed pensions in British industry, according to a recent article in *Labor and Industry in Britain*.¹ In 1936, 6,544 private pension plans

¹British Information Services, September, 1950.

were in operation and covered 814,000 workers. It is estimated that at present there are about 8,000 private pension plans with a coverage of between 2 million and 2.5 million workers. The assets accumulated under these plans are in the neighborhood of £70 million.

Working Life of Man

The United States Bureau of Labor Statistics has prepared "Tables of Working Life for Men." These tables are classified according to rural and urban, white and nonwhite men. According to the tables, a man at sixty has a life expectancy of 15.1 years, and a work-life expectancy of 9.1 years. For age sixty-five, the life expectancy is 12.2 years and the work life 6.8 years.

The Hidden Payroll

Personnel managers are interested in how much employee benefits cost in other companies. Statistics on this subject are not comparable, for each company has its own interpretation of what constitutes a benefit and its own method of determining its cost. Figure

om three companies reveal the variety of methods compiling these costs. These are taken from articles employee magazines.

Hiram Walker & Sons, Inc.

<i>Benefit</i>	<i>Paid by Company for Each Employee</i>
Group annuity and group life insurance.....	\$114.27
Federal and state taxes (unemployment and old age).....	93.28
Group welfare plan.....	68.10
Workmen's compensation.....	31.25
Vacations with pay.....	113.80
Holidays with pay.....	81.57
Mid rest periods (bottling rooms only).....	50.84
Loss on operation of cafeterias, cost of uniforms, dry cleaning, laundry, employees' club and employee magazine.....	72.30
Average total cost per employee.....	\$625.41

General Mills, Inc.

In its employee magazine for September, 1950, General Mills, Inc., breaks down its "hidden pay" for the major benefits. Company contributions for various employee clubs are not included. In all, the company is contributing \$3,064,900 for the following benefits for the fiscal year 1949-1950.

<i>Benefit</i>	<i>Total Company Contribution</i>
Pension, disability benefit and death benefit insurance plans.....	\$1,673,400
Social Security payments.....	440,800
Federal and state unemployment insurance.....	493,900
Workmen's compensation insurance.....	290,800
General Mills Health Association and company's health service.....	162,400
Tuition refunds.....	3,600
	\$3,064,900

Supplee-Wells-Jones Milk Company

The Supplee-Wells-Jones Milk Company tells in pictures and captions the estimated cost of its benefit program for 1950. In all, the company's cost will be more than \$900,000, or an average of \$375 per employee. Each benefit is described in general terms and is illustrated by a picture of an employee. For example, a picture of a girl employee sailing indicates the company's vacation plan for employees.

A summarization of the cost of "job extras" follows:

<i>Benefit</i>	<i>Cost to Company</i>
Vacations.....	\$280,000
Holidays.....	266,000
Group insurance.....	44,537
Pension plan.....	119,500
Social Security.....	99,500
Workmen's compensation.....	84,500
Medical examinations.....	12,000
	\$906,037

Larger Payments for Pensioners

Retired employees of the General Electric Company will receive larger pension payments because of the higher living costs, according to an announcement of President Charles E. Wilson. Over 7,000 long-service

pensioners of the company will share in the increased benefits.

The amount of increase will be between \$24 and \$49 a month for the majority of retired employees. The pensioners are classified according to four groups and the benefits determined as follows:

1. Retired employees who are receiving Social Security will receive the increased amount of SSA benefits as well as benefits under the company plan.

2. Employees who retired before the passage of the Social Security Act will receive an increase of \$24 a month provided they are sixty-five years of age and have fifteen or more years of service.

3. Employees who retired prior to July 1, 1950, who have not yet reached normal retirement age (sixty-five for men, sixty for women) and who are now receiving supplemental payments of \$360 a year from the company will have these payments upped to \$540. These supplements, which are made only to employees who have had at least fifteen years of service, will be discontinued when the employee reaches sixty-five years of age.

4. If retired employees receive an income less than the minimum for future pensioners (\$125 a month), they will receive a further increase of \$25 a month, or a lesser sum, to bring their total retirement income up to \$125.

More About Pensions

Pensions of more than \$100 a month continue to be in the news. Unionized milk drivers and pasteurization plant employees in New York will receive an employer-financed payment of \$50 a month in addition to the Social Security benefit, under an agreement between 205 milk companies and the International Brotherhood of Teamsters, AFL.

* * *

The Westinghouse Electric Manufacturing Company and the International Union of Electrical Workers, CIO, on October 1 reached an agreement on a noncontributory \$100 a month pension plan, including Social Security, which covers 50,000 employees.

* * *

District 50 of the United Mine Workers has also obtained \$100 a month pensions from the Disco Company. In this instance, the company's obligation is limited to its contribution of 5 cents per man-hour worked. As stated in the agreement, "All employees . . . shall look solely to the pension fund for such payments." The \$100 pension apparently is exclusive of any Social Security benefits the employee may receive. To obtain the full pension, an employee must have worked for the company twenty years and attained age sixty-five.

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Division of Personnel Administration

Labor Press Highlights

UNION CONVENTION ROUNDUP

FALL is convention time for many unions. Last month's labor press reflected that in pages of speeches and resolutions. Chief preoccupation among the conventioners were wages and the November elections. Below, in brief, are reports on other phases of three of the more important conventions.

American Federation of Labor

The AFL called for price controls on key commodities with prices rolled back to June levels, reports *The Railway Clerk* (Railway and Steamship Clerks, AFL). No wage freeze is needed yet, according to the AFL. If and when wage stabilization comes, the AFL wants no part of any formula tying permissive wage changes to the cost of living. Regarding possible labor unity, the convention report says there were expressions of hope for a unified movement and a determination to bring it about.

Rubber Workers, CIO

President L. S. Buckmaster, who two years ago was reelected by only two votes, was reelected by an avalanche of votes. The opposition was "swamped," according to the *United Rubber Worker*. The convention called for a six-hour day wherever practicable and uniform termination dates for all Big Four contracts.

Electrical Workers, Independent

The *UE News* describes the UE convention as "united to hammer out a fighting program."¹ But UE's archrival, the IUE-CIO, charges that closed convention sessions revealed that the union is almost bankrupt. UE's membership was only 172,000 and is waning fast, according to the *IUE-CIO News*. Because of financial straits, UE cut staff salaries 10% and reduced its organizing staff from 168 to 92, says the IUE. It interprets this to mean that UE has abandoned hope of regaining ground lost to Jim Carey's IUE-CIO.

Rail Unions Seek Pay Boost for Million Members

Cost of living wage increases for 1,300,000 railroad men is the goal of the nineteen standard railway organizations, according to a report in *Labor* (fifteen

nonoperating railroad unions). Wage programs mapped by the fifteen nonoperating unions are now being formulated. Among the Big Four railway brotherhoods, the Locomotive Engineers have announced a demand for a 20% increase for members in yard service and a 25 cents an hour allowance per week for away-from-home expenses of road engineers. The Railway Trainmen, according to the *Trainmen News*, seek an unspecified across-the-board cost of living increase and a 25% increase in benefits under the Railroad Retirement Act. The Railway Conductors and the Locomotive Firemen and Enginemen have not yet arrived at a specific wage package.

Left-Wing Paper Accused of Kickback

Members of the CIO Newspaper Guild in New York employed by the left-wing weekly *National Guardian* have been charged with kicking back part of their pay to keep the publication afloat, reports *The CIO News*. They will be tried before the local on grounds that include "acting to circumvent bargaining between the Guild and management, and negotiating for inferior conditions of employment." *The CIO News* notes that the Guild, in the past, has accused employees of the Communist *Daily Worker* of making similar kickbacks, but never preferred charges or brought them to trial.

Machinists Move To Reaffiliate with the AFL

Reaffiliation with the AFL, with full jurisdictional rights as of 1945, has been approved by the International Association of Machinists' executive council, reports *The Machinist*. Next step in completing the merger awaits a referendum vote in January among the 1,800 local Machinist lodges. One stumbling block to the affiliation was removed, according to the report, when AFL President William Green wrote the AFL Building Trades Department that it has no authority to decide jurisdictional disputes affecting organizations not affiliated with that department. No payment of back per capita dues will be required if the Machinists should the union reaffiliate.

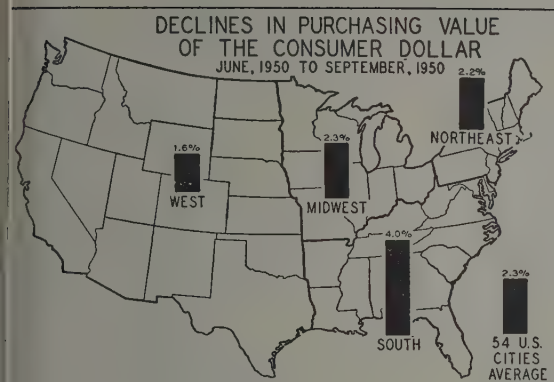
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¹For a report of the UE convention, see "Trends in Labor Relations," *The Management Record*, October, 1950, p. 386.

DECLINES IN PURCHASING VALUE OF THE CONSUMER DOLLAR

JUNE, 1950 TO SEPTEMBER, 1950



Consumers' Prices in Review

THE CONFERENCE BOARD's consumers' price index for fifty-four United States cities increased 0.6% in the month ending September 15.

This caused the index to rise to 165.9 (January, 1939=100), only 0.4% below the record high of 166.5 reached in August and September, 1948. Since last December, consumers' prices have been rising steadily,

except for February when a decline occurred. The July 15 survey (the first following the Korean conflict) showed the largest month-to-month rise (1.3%) since December, 1947. And in the two months that have ensued an additional 1% increase has occurred.

In the quarterly period from mid-June to mid-September, the all-items index increased 2.3%. Consequently, the purchasing value of the January, 1939, dollar decreased by the same proportion. By a breakdown of the twenty-five cities surveyed in June and September into their four respective sections of the United States, an index for each section of the country has been computed. The accompanying map shows that the purchasing value of the dollar in the Midwest and Northeast decreased by practically the same amount (2.3% and 2.2% respectively) as the combined United States index. The purchasing value of the dollar in the southern section decreased almost twice as much (4.0%); the western section declined the least (1.6%). The decline in the purchasing value of the food and housing dollar accounted for the large decrease in the southern part of the country.

Food prices advanced 0.5% from mid-August to mid-September. This advance influenced the over-all increase because of the importance of this commodity in the budget of moderate-income families. Eggs and green beans showed the sharpest rise during the month. A still larger increase in the food index would have occurred except for seasonal decreases in potatoes, onions, and apples.

All the other major components also increased over

(Text continued on page 428)

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar
Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 September.....	162.1	209.6	112.7	144.1	156.6	133.5	128.0	92.3	101.8	147.5	155.3	61.7
October.....	160.4	204.0a	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2	62.3
November.....	160.5	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3	62.3
December.....	159.5	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3	62.7
Annual average.....	161.3	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0	62.0
1950 January.....	159.7	200.9b	114.7	143.2	156.0	132.3	130.5	92.6	101.7	147.6	155.4	62.6
February.....	159.1	199.3	114.7	142.7	155.7	131.8	131.2r	92.6	102.5r	147.9	155.4	62.9
March.....	159.7	201.0	114.8	142.6	155.5	131.7	131.5r	92.7	102.3r	147.7	155.5	62.6
April.....	160.0r	201.0c	115.1	142.5	155.5	131.5	132.3r	92.6	102.2r	148.1	155.9	62.5
May.....	161.0	204.5	115.3	142.5	155.6	131.4	129.7r	92.8	102.2r	148.1	155.9	62.1
June.....	162.2r	207.7	115.3	143.0	157.0	131.1	129.5r	92.8	102.2r	148.3	156.1	61.7
July.....	164.3	213.5d	115.7	143.2	157.4	131.2	130.0r	92.8	101.4r	148.9	156.3	60.9
August.....	164.9r	213.5r	115.8	143.9r	158.0r	132.0r	131.4r	92.9	101.4r	153.4	157.2	60.6r
September.....	165.9	214.6e	116.0	146.2	159.8	134.7	132.1	92.9	101.3	156.3	158.0	60.3

Percentage Changes

Aug., 1950 to Sept., 1950..	+0.6	+0.5	+0.2	+1.6	+1.1	+2.0	+0.5	0	-0.1	+1.9	+0.5	-0.5
Sept., 1949 to Sept., 1950..	+2.3	+2.4	+2.9	+1.5	+2.0	+0.9	+3.2	+0.7	-0.5	+6.0	+1.7	-2.3

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from Sept. 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for October 13, 1949.

^bBased on food prices for January 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eBased on food prices for September 14, 1950.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Sept. 1950	June 1950	Sept. 1949	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950
Atlanta					
Food.....	221.8	205.8	212.7	+7.8	+4.3
Housing.....	112.7	113.2	111.7	-0.4	+0.9
Clothing.....	135.5	131.8	131.0 ^r	+2.8	+3.4
Fuel ¹	133.9	129.4	129.8	+3.5	+3.2
Housefurnishings.....	158.3	147.8	148.0	+7.1	+7.0
Sundries.....	150.7	149.5	144.5 ^r	+0.8	+4.3
Weighted Total....	163.2	157.0 ^r	157.1 ^r	+3.9	+3.9
Buffalo					
Food.....	231.4	226.7	226.2 ^r	+2.1	+2.3
Housing.....	121.5	121.5	121.1	0	+0.3
Clothing.....	146.4	141.2 ^r	143.6 ^r	+3.7	+1.9
Fuel ¹	152.3	148.5	143.8	+2.6	+5.9
Housefurnishings.....	150.9	146.2	146.2	+3.2	+3.2
Sundries.....	162.3	156.4	154.8	+3.8	+4.8
Weighted Total....	173.3	169.2	168.4 ^r	+2.4	+2.9
Cleveland					
Food.....	218.5	212.5 ^r	210.3 ^r	+2.8	+3.9
Housing.....	117.1	117.1	116.7	0	+0.3
Clothing.....	154.9	150.1	151.6	+3.2	+2.2
Fuel ¹	141.9	138.6	136.6	+2.4	+3.9
Housefurnishings.....	162.1	156.8	155.6	+3.4	+4.2
Sundries.....	160.4	152.6	153.4 ^r	+5.1	+4.6
Weighted Total....	168.4	163.3	162.7 ^r	+3.1	+3.5
Des Moines					
Food.....	218.3	207.2	208.8 ^r	+5.4	+4.5
Housing.....	118.4	109.9	109.9	+7.7	+7.7
Clothing.....	157.1	152.3	153.9	+3.2	+2.1
Fuel ¹	152.0	150.8	149.1	+0.8	+1.9
Housefurnishings.....	161.0	151.3	146.5	+6.4	+9.9
Sundries.....	152.3	151.3	149.9	+0.7	+1.6
Weighted Total....	165.2	159.5	159.3	+3.6	+3.7
Huntington, W. Va.					
Food.....	200.2	190.7	201.4	+5.0	-0.6
Housing.....	116.2	116.2	111.7	0	+4.0
Clothing.....	141.6	137.8	140.1 ^r	+2.8	+1.1
Fuel ¹	113.8	113.8	113.8 ^r	0	0
Housefurnishings.....	148.8	141.5 ^r	144.5	+5.2	+3.0
Sundries.....	164.3	163.1	155.7 ^r	+0.7	+5.5
Weighted Total....	163.0	158.8	159.5 ^r	+2.6	+2.2
Kansas City, Mo.					
Food.....	202.5	192.6 ^r	196.2	+5.1	+3.2
Housing.....	111.3	110.7	109.6	+0.5	+1.6
Clothing.....	152.1	149.2 ^r	150.3	+1.9	+1.2
Fuel ¹	121.6	121.2	120.0	+0.3	+1.3
Housefurnishings.....	141.1	137.0	138.1	+3.0	+2.2
Sundries.....	154.9	149.4	154.4 ^r	+3.7	+0.3
Weighted Total....	158.2	152.9	155.5 ^r	+3.5	+1.7
Lansing					
Food.....	225.5	224.5	222.4	+0.4	+1.4
Housing.....	113.1	113.1	106.6	0	+6.1
Clothing.....	148.6	142.4	144.7 ^r	+4.4	+2.7
Fuel ¹	140.8	138.4	138.7	+1.7	+1.5
Housefurnishings.....	158.1	149.5	151.3	+5.8	+4.5
Sundries.....	164.0	163.3 ^r	161.6 ^r	+0.4	+1.5
Weighted Total....	166.8	165.0	163.0 ^r	+1.1	+2.3
Louisville					
Food.....	225.2	214.5 ^r	214.8	+5.0	+0.1
Housing.....	107.1	107.1	107.1	0	0
Clothing.....	141.3	137.3 ^r	142.2	+2.9	-0.1
Fuel ¹	153.3	151.8	150.7	+1.0	+1.1
Housefurnishings.....	158.7	154.2	152.9	+2.9	+3.3
Sundries.....	163.8	162.2	162.3	+1.0	+0.1
Weighted Total....	171.8	167.0 ^r	167.5	+2.9	+2.2
Milwaukee					
Food.....	220.8	216.6	212.8	+1.9	+3.3
Housing.....	151.3	147.6	112.5	+2.5	+34.1
Clothing.....	158.1	158.1 ^r	155.5	0	+1.1
Fuel ¹	133.6	132.0	134.2	+1.2	-0.1
Housefurnishings.....	169.7	160.6	155.2	+5.7	+9.1
Sundries.....	166.7	165.1	161.9 ^r	+1.0	+3.3
Weighted Total....	176.3	173.3	163.9 ^r	+1.7	+7.1
Portland, Ore.					
Food.....	225.2	218.6	214.0	+3.0	+5.1
Housing.....	122.8	122.8	122.8	0	0
Clothing.....	168.8	165.9	165.0	+1.7	+2.2
Fuel ¹	140.7	140.7	136.9	0	+2.2
Housefurnishings.....	138.1	134.1	135.2	+3.0	+2.2
Sundries.....	144.4	143.1	142.6 ^r	+0.9	+1.1
Weighted Total....	167.6	164.7	162.9 ^r	+1.8	+2.2
Providence					
Food.....	214.9	208.8	214.0 ^r	+2.9	+0.1
Housing.....	106.2	106.2	106.2	0	0
Clothing.....	155.2	151.5	153.3	+2.4	+1.1
Fuel ¹	146.1	141.2	140.8	+3.5	+3.3
Housefurnishings.....	134.7	131.3	131.3	+2.6	+2.2
Sundries.....	156.3	154.8	152.6 ^r	+1.0	+2.2
Weighted Total....	163.9	160.6	161.9 ^r	+2.1	+1.1
Spokane					
Food.....	206.8	204.2 ^r	202.9 ^r	+1.3	+1.1
Housing.....	135.8	128.8	110.8	+5.4	+22.1
Clothing.....	132.0	127.4	128.9	+3.6	+2.2
Fuel ¹	148.3	147.3	148.3	+0.7	0
Housefurnishings.....	150.1	138.6	136.4	+8.3	+10.1
Sundries.....	149.8	148.8	146.9	+0.7	+2.2
Weighted Total....	164.0	161.0	157.5	+1.9	+4.1
Toledo					
Food.....	218.7	212.1 ^r	213.4	+3.1	+2.2
Housing.....	129.0	126.5	126.5	+2.0	+2.2
Clothing.....	151.0	142.7	145.8	+5.8	+3.3
Fuel ¹	148.2	146.2	145.5	+1.4	+1.1
Housefurnishings.....	148.9	143.0 ^r	142.7	+4.1	+4.4
Sundries.....	162.7	159.1	158.6 ^r	+2.3	+2.2
Weighted Total....	170.9	166.1	166.6 ^r	+2.9	+2.2

Percentage Changes in Indexes for Two Cities

	Weighted Total		Food		Housing		Clothing		Fuel ¹		Housefurnishings		Sundries	
	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950	June 1950 to Sept. 1950	Sept. 1949 to Sept. 1950
Evansville, Ind.....	+2.5	+2.3	+4.2	+2.9	+0.7	+0.7	+4.3	+2.7	+2.1	+0.2	+3.8	+5.0	+0.3	+1.1
Trenton, N. J.....	+1.9	+1.4	+3.1	+1.7	+0.9	+1.9	+1.6	+1.5	+4.2	+4.4	+3.0	+2.9	0	+0.1

¹Includes electricity and gas.

^rRevised.

Source: THE CONFERENCE BOARD

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Sept. 1950	Aug. 1950	Sept. 1949	Aug. 1950 to Sept. 1950	Sept. 1949 to Sept. 1950		Sept. 1950	Aug. 1950	Sept. 1949	Aug. 1950 to Sept. 1950	Sept. 1949 to Sept. 1950
Birmingham						Indianapolis					
Food.....	217.4	215.9 _r	213.8	+0.7	+1.7	Food.....	230.6	227.7	216.2 _r	+1.3	+6.7
Housing ¹	149.7	149.7	121.6	0	+23.1	Housing ²	121.0	121.0	119.4	0	+1.3
Clothing.....	147.2	146.2	147.6	+0.7	-0.3	Clothing.....	142.6	140.4	141.3	+1.6	+0.9
Fuel ⁴	127.5	127.0	124.0	+0.4	+2.8	Fuel ⁴	155.4	154.9	152.3	+0.3	+2.0
Housefurnishings.....	158.4	154.5 _r	147.5	+2.5	+7.4	Housefurnishings.....	155.3	151.2	145.2	+2.7	+7.0
Sundries.....	143.1	142.1	141.1	+0.7	+1.4	Sundries.....	167.0	161.6	158.9 _r	+3.3	+5.1
Weighted Total.....	166.1	165.0	159.0	+0.7	+4.5	Weighted Total....	173.6	170.6	165.8 _r	+1.8	+4.7
Boston						Los Angeles					
Food.....	199.6	198.6	197.3	+0.5	+1.2	Food.....	205.2	207.0	204.1 _r	-0.9	+0.5
Housing ¹	116.1	116.1	114.8	0	+1.1	Housing ²	114.6	114.6	111.9	0	+2.4
Clothing.....	141.5	139.6	139.4	+1.4	+1.5	Clothing.....	139.3	138.3	139.1	+0.7	+0.1
Fuel ⁴	162.1	160.1	155.3	+1.2	+4.4	Fuel ⁴	97.9	97.9 _r	91.8	0	+6.6
Housefurnishings.....	157.8	156.0	153.0 _r	+1.2	+3.1	Housefurnishings.....	153.4	147.1	137.3	+4.3	+11.7
Sundries.....	152.5	152.2	151.0	+0.2	+1.0	Sundries.....	150.7	150.3	151.0 _r	+0.3	-0.2
Weighted Total.....	162.0	161.2	159.6	+0.5	+1.5	Weighted Total....	157.2	157.2 _r	155.4 _r	0	+1.2
Chicago						New Orleans					
Food.....	226.9	224.9 _r	217.6	+0.9	+4.3	Food.....	224.6	223.3	212.0	+0.6	+5.9
Housing ¹	124.3	124.3	120.5	0	+3.2	Housing ²	121.9	119.1	119.2	+2.4	+2.3
Clothing.....	145.0	142.5 _r	143.0	+1.8	+1.4	Clothing.....	149.4	148.5 _r	149.4	+0.6	+0.4
Fuel ⁴	114.1	113.5	110.0	+0.5	+3.7	Fuel ⁴	91.0	91.0	90.3	0	+0.8
Housefurnishings.....	148.7	147.7	143.0 _r	+0.7	+4.0	Housefurnishings.....	165.2	160.2	159.8	+3.1	+3.4
Sundries.....	165.5	165.0	158.7	+0.3	+4.3	Sundries.....	142.1	141.4	140.0	+0.5	+1.5
Weighted Total.....	171.2	170.1	164.9	+0.6	+3.8	Weighted Total....	169.0	167.6	163.0	+0.8	+3.7
Denver						New York					
Food.....	213.3	214.1	208.5 _r	-0.4	+2.3	Food.....	204.7	202.6	202.3	+1.0	+1.2
Housing ¹	113.4	113.4	113.4	0	0	Housing ²	104.6	104.6	104.4	0	+0.2
Clothing.....	155.5	152.6	152.6 _r	+1.9	+1.9	Clothing.....	146.3	144.1 _r	143.4	+1.5	+2.0
Fuel ⁴	106.0	106.0	104.9	0	+1.0	Fuel ⁴	133.1	132.1	129.0 _r	+0.8	+3.2
Housefurnishings.....	153.2	148.9	140.7 _r	+2.9	+8.9	Housefurnishings.....	158.0	154.6	150.4	+2.2	+5.1
Sundries.....	151.0	151.0 _r	149.2	0	+1.2	Sundries.....	161.6	161.1	160.2 _r	+0.3	+0.9
Weighted Total.....	161.3	161.1 _r	158.4	+0.1	+1.8	Weighted Total....	161.8	160.6	159.9 _r	+0.7	+1.2
Detroit						Philadelphia					
Food.....	217.7	218.3 _r	211.1 _r	-0.3	+3.1	Food.....	201.6	201.5 _r	198.4 _r	a	+1.6
Housing ¹	116.2	116.2	114.8	0	+1.2	Housing ²	111.0	111.0	110.4	0	+0.5
Clothing.....	144.3	141.1 _r	143.1	+2.3	+0.8	Clothing.....	139.0	136.9	133.3	+1.5	+4.3
Fuel ⁴	152.0	150.5	146.3	+1.0	+3.9	Fuel ⁴	149.9	149.5	143.9	+0.3	+4.2
Housefurnishings.....	160.4	157.2	149.0	+2.0	+7.7	Housefurnishings.....	158.9	156.5	146.0 _r	+1.5	+8.8
Sundries.....	167.7	167.4	165.3	+0.2	+1.5	Sundries.....	154.6	154.5	152.9	+0.1	+1.1
Weighted Total.....	168.3	167.8	164.4	+0.3	+2.4	Weighted Total....	162.6	162.1	159.3 _r	+0.3	+2.1

Source: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.
²Rents surveyed February, May, August, November

³Rents surveyed March, June, September, December.
⁴Includes electricity and gas.

aLess than 0.1%
rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 September.....	161.0	206.5	111.4	142.0	153.1	132.7	125.2	94.1	103.3	147.2	157.2	62.1
October.....	159.3	200.3 _a	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6 _b	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.1
February.....	157.9 _r	196.0	112.3	140.9	152.4	131.2	128.1 _r	94.1	103.7 _r	147.8	157.7	63.3 _r
March.....	158.5 _r	197.7	112.3	140.7	152.1	131.1	128.4 _r	94.2	103.7 _r	147.6	157.8	63.1
April.....	158.7 _r	197.7 _c	112.6	140.6	152.1	131.0	129.4 _r	94.2	103.7 _r	147.9	158.2	63.0 _r
May.....	159.8	201.4	112.7	140.7	152.2	130.9	127.0 _r	94.1	103.7 _r	147.8	158.3	62.6
June.....	160.9	204.3	112.7	141.2	153.6	130.7	127.0 _r	94.1	103.7 _r	148.0	158.4	62.2
July.....	163.1 _r	210.1 _d	113.2	141.4	153.9	130.8	127.6 _r	94.2	103.7 _r	148.5	158.5	61.3
August.....	163.6	210.0	113.2	142.2 _r	154.8 _r	131.6 _r	129.0 _r	94.1	103.7 _r	153.1	159.3	61.1
September.....	164.5	211.1 _e	113.2	144.4	156.6	134.1	129.8	94.1	103.7	156.2	159.8	60.8
Percentage Changes												
Aug., 1950 to Sept., 1950..	+0.6	+0.5	0	+1.5	+1.2	+1.9	+0.6	0	0	+2.0	+0.3	-0.5
Sept., 1949 to Sept., 1950..	+2.2	+2.2	+1.6	+1.7	+2.3	+1.1	+3.7	0	+0.4	+6.1	+1.7	-2.1

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for October 13, 1949.

^bBased on food prices for Jan. 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eBased on food prices for September 14, 1950.

^rRevised.

Significant Labor Statistics

Item	Unit	1950							Year Ago	Percentage Change	
		Sept.	Aug.	July	June	May	April	March		Latest Month over Previous Month	Latest Month over Year Previous
Consumers' Price Index											
Food.....	Jan. 1939=100	214.6	213.5	213.5	207.7	204.5	201.0	201.0	209.6	+0.5	+2.8
Housing.....	Jan. 1939=100	116.0	115.8	115.7	115.3	115.3	115.1	114.8	112.7	+0.2	+2.8
Clothing.....	Jan. 1939=100	146.2	143.9	143.2	143.0	142.5	142.5	142.6	144.1	+1.6	+1.1
Men's.....	Jan. 1939=100	159.8	158.0	157.4	157.0	155.6	155.5	155.5	156.6	+1.1	+2.0
Women's.....	Jan. 1939=100	134.7	132.0	131.2	131.1	131.4	131.5	131.7	133.5	+2.0	+0.9
Fuels.....	Jan. 1939=100	132.9	131.4	130.0	129.5	129.7	132.3	131.5	128.0	+1.1	+3.8
Electricity.....	Jan. 1939=100	92.9	92.9	92.8	92.8	92.8	92.6	92.7	92.3	0	+0.7
Gas.....	Jan. 1939=100	101.3	101.4	101.4	102.2	102.2	102.2	102.3	101.8	-0.1	-0.4
Housefurnishings.....	Jan. 1939=100	156.3	153.4	148.9	148.3	148.1	148.1	147.7	147.5	+1.9	+6.0
Sundries.....	Jan. 1939=100	158.0	157.2	156.3	156.1	155.9	155.9	155.5	155.3	+0.5	+1.7
All items.....	Jan. 1939=100	165.9	164.9	164.3	162.2	161.0	160.0	159.7	162.1	+0.6	+2.3
Purchasing value of dollar.....	Jan. 1939 dollars	60.3	60.6	60.9	61.7	62.1	62.5	62.6	61.7	-0.5	-2.3
All items (BLS).....	1935-1939=100	173.8	173.0	172.5	170.2	168.6	167.3	167.0	169.6	+0.5	+2.8
Strikes (BLS)											
Beginning in period.....	number	.....	560	425	425	450	400	260	365	+31.8	+53.4
Workers involved.....	thousands	.....	350	225	260	325	160	80	134	+55.6	+161.3
Total man days idle.....	thousands	.....	2,900	2,900	2,750	3,000	3,150	3,750	2,140	0	+35.5
Turnover rates in manufacturing (BLS)											
Separations ¹	per 100 employees	.....	4.3	2.9	3.0	3.1	2.8	2.9	4.0	+48.3	+7.5
Quits.....	per 100 employees	.....	3.0	1.8	1.7	1.6	1.3	1.2	1.8	+66.7	+66.7
Discharges.....	per 100 employees	.....	.4	.3	.3	.3	.2	.2	.3	+33.3	+33.3
Layoffs.....	per 100 employees	.....	.6	.6	.9	1.1	1.2	1.4	1.8	0	-66.7
Accessions.....	per 100 employees	.....	6.4	4.7	4.8	4.4	3.5	3.6	4.4	+36.2	+45.5
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	1.480	1.464	1.462	1.453	1.442	1.434	1.424	1.407	+1.1	+5.2
weekly.....	average in dollars	60.53	60.32	59.21	58.85	57.54	56.93	56.53	55.72	+0.3	+8.6
Hours per production worker.....	average per week	40.9	41.2	40.5	40.5	39.9	39.7	39.7	39.6	-0.7	+3.9
Employment.....	1939 average=100	.....	156.1	148.3	147.3	144.5	141.6	141.0	141.1	+5.3	+10.6
Payrolls.....	1939 average=100	.....	394.0	367.4	362.7	348.0	337.2	333.5	323.0	+7.2	+22.0
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	1.560	1.539	1.533	1.522	1.509	1.499	1.486	1.482	+1.4	+5.3
weekly.....	average in dollars	64.90	64.33	62.85	62.86	61.57	61.01	59.74	58.69	+0.9	+10.6
Hours per production worker.....	average per week	41.6	41.8	41.0	41.3	40.8	40.7	40.2	39.6	-0.5	+5.1
Employment.....	thousands	6,980	6,892	6,597	6,596	6,456	6,195	6,070	6,060	+1.3	+15.2
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	1.382	1.374	1.374	1.365	1.358	1.355	1.353	1.323	+0.6	+4.1
weekly.....	average in dollars	55.42	55.65	54.69	53.92	52.83	52.17	53.04	52.59	-0.4	+5.4
Hours per production worker.....	average per week	40.1	40.5	39.8	39.5	38.9	38.5	39.2	39.6	-1.0	+1.3
Employment.....	thousands	5,963	5,897	5,551	5,470	5,385	5,402	5,479	5,715	+1.1	+4.3
Class I railroads ²											
Earnings, hourly.....	average in dollars	.....	.....	1.622	1.603	1.611	1.619	1.613	1.442	+1.2	+12.5
weekly.....	average in dollars	.....	.....	68.73	71.47	74.44	68.45	71.78	69.20	-3.8	-0.7
"Real" weekly earnings ³	Jan. 1939=100	.....	.....	122.6	129.2	135.5	125.4	131.7	125.8	-5.1	-2.5
Hours per wage earner.....	average per week	.....	.....	42.4	44.6	46.2	42.3	44.5	48.0	-4.9	-11.7
Agricultural wage rates (BAE) ⁴											
With board and room, per month.....	average in dollars	.....	.....	98.00	.....	.....	92.00	.....	102.00	+6.5	-3.9
With house, per month.....	average in dollars	.....	.....	126.00	.....	.....	113.00	.....	130.00	+11.5	-3.1
Composite rate per hour.....	average in dollars	.....	.....	.56	.....	.....	.47	.....	.56	+19.1	0

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Includes miscellaneous; shown separately prior to February, 1950.

²Derived from Interstate Commerce Commission reports.

³Series revised; formerly on a 1923 base.

⁴Changes in Agricultural Wage Rates are quarterly.

pPreliminary.

rRevised.

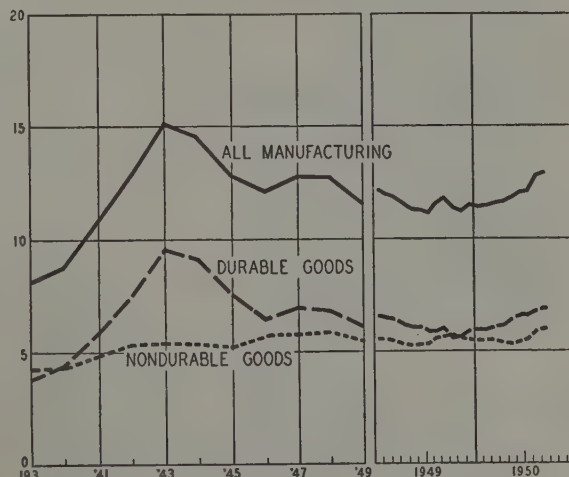
Production Worker Force Expands

THE manpower pinch is getting tighter. Manufacturing industries are rapidly absorbing the available supply of both unskilled and skilled workers. In the first three months after the outbreak of war in Korea, close to one million production workers have joined the nation's factory force. Eighteen per cent of the gain in this quarter took place between August and September—the latest survey month. This raised the manufacturing employment level to 12,943,000 workers. This September total falls short of the post-war peak of December, 1947, by 81,000 workers but it comprises the largest production worker force recorded by the Bureau of Labor Statistics in the last two years.

Over 50% of all the accessions reported between August and September took place in the durable goods industries. The total number was far less than that reported during the preceding month. It nevertheless reflected a continued stream of orders in the primary metal, fabricated metal and transportation equipment industries particularly, and an all-industry group gain of 88,000 workers since August.

Seasonal demands were responsible for the high em-

Number of Production Workers in Manufacturing Industries
In Thousands



Source: Bureau of Labor Statistics

Table 1: Hours and Gross Earnings of Production or Nonsupervisory Workers in Manufacturing Industries, September, 1950

Industry Group ¹	Average Weekly Earnings (In Dollars)			Average Weekly Hours			Average Hourly Earnings (In Dollars)		
	Sept. 1950 ^p	Aug. 1950	Sept. 1949	Sept. 1950 ^p	Aug. 1950	Sept. 1949	Sept. 1950 ^p	Aug. 1950	Sept. 1949
ALL MANUFACTURING	60.53	60.32	55.72	40.9	41.2	39.6	1.480	1.464	1.407
Durable goods.....	64.90	64.33	58.69	41.6	41.8	39.6	1.560	1.539	1.482
Electrical machinery.....	61.49	60.46	57.88	41.1	41.1	40.0	1.496	1.471	1.447
Fabricated metal products (exc. ord., mach. and trans. equip.).....	65.95	64.73	59.25	42.3	42.2	40.2	1.559	1.534	1.474
Furniture and fixtures.....	54.73	55.00	50.72	42.2	42.8	41.0	1.297	1.285	1.237
Instruments and related products.....	63.44	60.19	55.26	41.9	41.0	39.5	1.514	1.468	1.399
Lumber and wood products (except furniture).....	57.44	58.46	52.83	41.5	42.3	40.7	1.384	1.382	1.298
Machinery (except electrical).....	69.15	67.65	60.44	42.5	42.2	39.3	1.627	1.603	1.538
Ordnance and accessories.....	66.87	64.80	59.76	42.7	41.7	40.3	1.566	1.554	1.483
Primary metal industries.....	69.64	67.73	60.42	41.6	41.3	37.6	1.674	1.640	1.607
Stone, clay, and glass products.....	59.86	59.39	54.73	41.0	41.5	39.6	1.460	1.431	1.382
Transportation equipment.....	70.65	72.65	67.13	40.3	41.8	40.1	1.753	1.738	1.674
Nondurable goods.....	55.42	55.65	52.59	40.1	40.5	39.6	1.382	1.374	1.323
Apparel and other finished textile products.....	43.68	46.18	44.01	36.1	37.7	36.8	1.210	1.225	1.196
Chemicals and allied products.....	63.45	63.14	59.66	41.5	41.4	41.4	1.529	1.525	1.441
Food and kindred products.....	56.32	56.41	53.63	41.5	42.0	41.8	1.357	1.343	1.283
Leather and leather products.....	45.47	46.45	41.99	37.7	39.2	36.8	1.206	1.185	1.141
Paper and allied products.....	62.59	62.80	57.64	43.8	44.1	42.6	1.429	1.424	1.353
Printing, publishing, and allied industries.....	74.37	73.09	72.02	39.1	38.9	39.1	1.902	1.879	1.842
Products of petroleum and coal.....	76.03	74.22	74.47	41.3	40.8	41.1	1.841	1.819	1.812
Rubber products.....	n.a.	67.41	61.01	n.a.	42.6	40.3	n.a.	1.587	1.514
Textile-mill products.....	50.18	49.53	45.32	40.3	40.6	38.6	1.230	1.220	1.187
Tobacco manufactures.....	41.25	43.44	38.39	39.4	39.6	38.9	1.047	1.097	.987

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Hours and Earnings Industry Report" published monthly by the Bureau of Labor Statistics.
^pPreliminary

n.a. Not available

Table 2: Production-Worker Employment in Manufacturing Industries, September, 1950

Industry Group ¹	Employment (In Thousands)			
	Sept., 1950 ^p	Aug., 1950	July, 1950	Sept., 1949
ALL MANUFACTURING	12,943	12,789	12,148^r	11,775
Durable goods.....	6,980	6,892	6,597 ^r	6,060
Electrical machinery.....	653	658	623	531
Fabricated metal products (exc. ord., mach. and trans. equip.).....	831	813	772 ^r	708
Furniture and fixtures.....	325	318	302	277
Instruments and related products.....	204	191	180	172
Lumber and wood products (except furniture).....	775	772	745 ^r	684
Machinery (except electrical).....	1,057	1,057	1,031 ^r	935
Ordinance and accessories.....	20.8	19.6	18.8	18.2
Primary metal industries.....	1,103	1,084	1,053 ^r	938
Stone, clay, and glass products.....	455	459	440 ^r	414
Transportation equipment.....	1,140	1,122	1,075 ^r	1,017
Nondurable goods.....	5,963	5,897	5,551 ^r	5,715
Apparel and other finished textile products.....	1,093	1,084	979 ^r	1,082
Chemicals and allied products.....	506	491	479	478
Food and kindred products.....	1,322	1,328	1,228 ^r	1,340
Leather and leather products.....	370	370	351	354
Paper and allied products.....	419	411	397	384
Printing, publishing, and allied industries.....	508	504	500	495
Products of petroleum and coal.....	188	192	182	189
Rubber products.....	212	209	200 ^r	167
Textile-mill products.....	1,255	1,226	1,160 ^r	1,132
Tobacco manufactures.....	90	82	75	94

Source: Bureau of Labor Statistics

¹Data for individual industries available in "Employment and Pay Rolls Detailed Report" published monthly by the Bureau of Labor Statistics.^pPreliminary^rRevised

ployment jump among the soft goods industries. During the corresponding period last year, the number of accessions among the individual groupings were substantially higher. However, the number of workers on the payrolls this September is generally greater as a result of improved business conditions over the year.

EARNINGS CONTINUE TO CLIMB

Hourly earnings climbed another notch in September, for the tenth consecutive month, moving the series to another unprecedented high. The average, which takes into account overtime payments, came to \$1.48 an hour in all-manufacturing industries combined. This reflects an increase of 1.6 cents since August. In this same period, a quarter of an hour was cut off the average work week, thus reducing the weight of overtime premiums in the workers' average earnings. Also the fact that thousands of new workers were put on the payrolls would tend to deflate the average over the month.

But average hourly earnings rose considerably in September—to a greater extent, in fact, than in any month since November, 1949. Large-scale wage rate increases and cost of living adjustments played an important part in this latest rise. Important, too, is the fact that many new workers went into the higher-paying industries such as chemicals, transportation equipment, primary and fabricated metals. The demand for skilled personnel and the provision in several recent key settlements for an additional increase in the skilled classifications both contributed, in large measure, to the boost in average hourly earnings.

About 90% of the industries in the survey reported

a gain in their production workers' hourly returns; almost half of these industries showed average increases in excess of two cents. The bulk of the change took place in the durable goods group, which rose 2.1 cents between August and September; nondurable goods workers averaged 0.8 cent more over the month. On a weekly basis, however, this latter group received a slightly smaller return than in August because of a shortened work week, whereas production workers in the heavy industries earned more for a week's work in September than ever before.

Consumers' Prices

(Continued from page 423)

the month and over the year period. For the second consecutive month, housefurnishings showed the largest increase, advancing 1.9% from August to September. The total increase in this component amounted to 5% since July, 1950. Clothing followed housefurnishings with a rise of 1.6%. Many of the items to show price rises were new fall and winter lines.

Fuel and sundries each increased 0.5% during the month. Residential rents averaged a 0.2% increase from mid-August to mid-September and almost 3% from September, 1949, a year ago.

SHIRLEY FASS
Statistical Division

THE CONFERENCE BOARD

Contract Settlement Announcements—Sept.15 to Oct.15

- A. Wage Increase Announcements
B. Settlements for Fringe Benefits Only
C. Wage Decrease

Note: Adjustments verified by company unless otherwise specified

A—Wage Increase Announcements

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Automobiles, Parts and Accessories</i>							
Borg-Warner Corporation.....	WE	\$.10 hr.	7-14-50	1,378	n.a.	n.a.	Pensions and increased insurance coverage. Wage reopening 7-14-51. (UAW, CIO)
Warner Gear Division		\$.08 hr.	10-9-50	4,940	n.a.	n.a.	
Muncie, Ind.		\$.05 hr.	10-9-50	435	n.a.	n.a.	
Fruehauf Trailer Co.....	WE	\$.06 hr.	6-15-50	25	n.a.	n.a.	Wage reopening 6-15-51. (UAW, AFL)
Fort Wayne, Ind.							
Springfield, Mo.	WE	\$.05 hr.	7-7-50	19	n.a.	n.a.	Additional 3¢ effective 7-7-51. (UAW, AFL)
Hudson Motor Car Company.....	S	7%	9-1-50	2,000	n.a.	6-14-48	Minimum increase \$17.50 a month. Noncontributory pension plan. Broader group insurance program. Three weeks' vacation after 12 years. Wage reopening 10-51. (UAW, CIO)
Detroit, Mich.							
*Mack Truck Corporation.....	WE	\$.04 hr.	9-18-50	5,300	n.a.	n.a.	Five-year agreement. Annual 4¢ hour automatic increase. Quarterly cost of living adjustments of 1¢ for each 1.14-point change in BLS index. Also, improved vacations and pensions. (UAW, CIO)
Plainfield, New Brunswick, N. J.;		to					
Allentown, Pa.	S	\$3 wk.	9-50	n.a.	n.a.	n.a.	
<i>Chemicals and Allied Products</i>							
*Allied Chemical & Dye Corp.....	WE	\$.10 hr.	retro. to	3,000	n.a.	n.a.	Additional 5¢ hour 6-12-51. Cost of living quarterly adjustment of 1¢ for every 1-point rise in BLS index. Company-paid medical benefit plan. Two-year contract with no strike clause. (UMW, Dist. 50)
Solvay Process Division			6-12-50				
Syracuse, N. Y.							
*E. I. DuPont de Nemours & Co., Inc.	WE	\$.08 hr.	9-18-50	n.a.	see	6-26-50	On 6-26-50, an increase of 6¢ hour became effective. (Chemical Workers Ass'n, Ind.)
Deepwater, N. J.	S	\$14 mo.	9-18-50	n.a.	n.a.	n.a.	
							On 6-26-50, an increase of 6¢ hour became effective. (Chemical Workers Ass'n, Ind.)
Hooker Electrochemical Co.....	WE	\$.06 hr.	8-1-50	1,120	\$1.68 hr. average	5-31-48	Liberalized vacation plan. Company to pay 80% of hospital and surgical coverage premium and 100% N. Y. State disability payment. In case of death in family, time off liberalized to include father-in-law and mother-in-law. Changed seniority provisions. Next wage reopening 8-51. (Niagara Hooker Employees Union, Ind.)
Niagara Falls, N. Y.							Same benefits as above. (No union)
	S	\$2-\$3 wk. weekly employees	9-18-50	80	n.a.	n.a.	
		\$20-\$30 mo. monthly employees	10-23-50	325	n.a.	n.a.	
Interchemical Corporation.....	WE	\$.07 hr.	7-1-50	55	see	7-1-50	On 7-1-50 a 5¢ hour across the board increase was also given. Wage reopening 7-1-51. (UMW, Dist. 50)
New York, N. Y.					remarks		
International Minerals & Chemical Corp.	WE	\$.06 hr. across the board	6-1-50	120 approx.	\$1.38 hr. to	6-1-49	Wage reopening 6-1-51. (American Federation of Grain Millers, AFL)
Buffalo, N. Y.; Jacksonville, Fla.					\$1.93 hr.		
Monsanto Chemical Company.....	WE	\$.05 hr.	8-10-50	300	n.a.	n.a.	Automatic 4¢ hour increase 8-51 and 8-52. GM-type quarterly adjustments. Supplementary paid sick leave plan—contributory Blue Cross and Blue Shield. Contract expires 8-10-53. (United Gas, Coke, & Chemical Workers, CIO)
Trenton, Mich.							
Springfield, Mass.	WE	\$.08 hr.	6-16-50	1,600	n.a.	n.a.	Automatic 4¢ hour increases on 7-51 and 7-52. Cost of living clause: quarterly adjustments of 1¢ per hour for each 1.14 change from May BLS index. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Union Carbide & Carbon Corp.....	WE	\$.05 hr.	6-9-50	2,200	\$1.08 hr. starting rate	6-9-49	Pension, hospitalization and group insurance plans. Wage reopening 7-1-51. (United Gas, Coke & Chemical Workers, CIO)
Oak Ridge, Tenn.					n.a.	n.a.	
Wyandotte Chemical Co.....	WE	\$.10 hr.	9-11-50	1,400 approx.	n.a.	n.a.	Of this increase, 5¢ was to offset higher cost of living. (UMW, Dist. 50)
Wyandotte, Mich.							

A-WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Food and Allied Products</i>							
Armour & Co.....	S	\$4.40 wk.	8-13-50	12,500	n.a.	n.a.	(No union)
Chicago, Ill.							
Carnation Company.....	WE	\$.05 hr.	1-1-50	90	n.a.	n.a.	Wage reopening 1-1-51. (Food, Tobacco, Agricultural and Allied Workers, Ind.)
Cambridge Springs, Pa.							
Galax, Va.	WE	\$.05 hr.	4-7-50	70	n.a.	n.a.	Wage reopening 4-7-51. (Construction Workers, (UMW, Ind.)
Cudahy Packing Co.....	WE	\$.11 hr.	8-11-50	9,200	\$1.15 hr. male common labor	11-1-48	Wage reopening once after 2-11-51 and once after 2-11-52. (United Packinghouse Workers CIO)
Interstate							
General Mills.....	WE	\$.08 hr. general increase	8-1-50	347	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Wichita Falls, Amarillo, Tex.; El Reno, Oklahoma City, Okla.							
Minneapolis, Purity Oats	WE	\$.07 hr. general increase	8-1-50	47	n.a.	n.a.	Additional 2¢ increase 1-1-51. (Amer. Fed. of Grain Millers, AFL)
Belmond, Iowa	WE	\$.05 hr. general increase	9-15-50	103	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Keokuk, Iowa	WE	\$.07 hr. general increase	10-1-50	72	n.a.	n.a.	(Amer. Fed. of Grain Millers, AFL)
Los Angeles, Calif.	WE	\$.075 hr. general increase	10-1-50	102	n.a.	n.a.	Contract effective to 9-1-52. Wage reopening 9-1-51. (Amer. Fed. of Grain Millers, AFL)
Joseph E. Seagram & Sons, Inc.....	WE	\$.095 hr.	5-31-50	60	n.a.	n.a.	Wage reopening 9-1-51. (Int'l. Bro. of Firemen & Oilers, AFL)
Ky., Md., O., Pa., and Ind.							
Interstate	WE	\$.075 hr.	8-1-50	3,000	n.a.	n.a.	Wage reopening 8-1-51. (Distillery, Rectifying & Wine Workers, AFL)
Swift & Company.....	WE	\$.11 hr.	8-14-50	4,892	\$1.15 hr.	10-18-48	No wage reopening before 2-11-51. (Amalgamated Meat Cutters & Butcher Workmen, AFL)
Interstate							
	WE	\$.11 hr.	8-14-50	18,851	\$1.15 hr.	10-18-48	No wage reopening before 2-11-51. (United Packinghouse Workers, CIO)
	S	\$4.40 wk.	n.a.	n.a.	n.a.		
Hiram Walker & Sons, Inc.....	WE	\$.075 hr.	5-1-50	1,500	\$1.475 hr. base rate	5-1-49	Salaried employees received same increase. Three weeks' vacation after 15 years' service. Wage reopening 5-1-51. Contract effective until 4-30-52. (Distillery, Rectifying & Wine Workers, AFL)
Peoria, Ill.							
<i>Furniture and Allied Products</i>							
*Drexel Furniture Co.....	WE	10% across the board	9-4-50	n.a.	n.a.	n.a.	Voluntary increase, with a 10¢ hour maximum.
North Carolina							
*Kuehne Manufacturing Co.....	WE	\$.05 hr.	9-22-50	600	n.a.	n.a.	Voluntary raise in recognition of increased production and less spoilage.
Mattoon, Ill.							
<i>Metal Manufactures</i>							
Avco Manufacturing Company.....	WE	\$.05 hr.	10-3-50	2,500	n.a.	n.a.	Increased company payment for group insurance. (UAW, CIO)
Connersville, Ind.							
Caterpillar Tractor Company.....	WE	\$.10 hr.	8-14-50	18,000	\$1.16 hr. starting labor	7-30-48	Noncontributory pension plan. Wage reopening 7-51. (UAW, CIO)
Peoria, Ill.							
The DeVilbiss Company.....	WE	\$.05 hr.	8-26-50	n.a.	n.a.	n.a.	Addition of 1/2¢ hour to inequity fund. Employer-paid pension fund. Liberalized vacation benefits. Contract signed 8-28-50 and effective until 5-31-52. (UAW, CIO)
Toledo, O.							
*Dravo Corp.....	WE	5% across the board	10-1-50	8,000	n.a.	n.a.	Retirement pay. Expansion of health and welfare program. Certain wage readjustments. (Industrial Union of Marine and Shipbuilding Workers, CIO)
Neville Island, Pa.							
*Electric Storage Battery Co.....	WE	\$.105 hr.	9-50	2,300	n.a.	n.a.	Improved pension plan, hospitalization and sick benefits, and severance pay. Total of 8 paid holidays. (Int'l Union of Electrical, Radio, and Machine Workers, CIO)
Philadelphia, Pa.							
Emerson Electric Manufacturing Company	WE	\$.05 hr.	8-1-50	4,500	\$1.54 hr.	8-1-48	Three weeks' vacation after 15 years' service. Minimum pension of \$100 month at age 65 with 25 years' service. Liberalized group insurance benefits. Reopening on economic issues after 1-1-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
St. Louis, Mo.							

A—WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufactures (Continued)</i>							
*General Electric Company..... Interstate	WE	\$.10 hr.	see remarks	60,000 approx.	n.a.	7-50	Half of the increase became effective 7-1-50, and half 9-15-50. Cost of living increase of 1¢ hour for every 1.14-point change in BLS index. Minimum contributory pension of \$125 month, including Social Security. Life, hospitalization and surgical insurance benefits. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
	WE	\$.10 hr.	see remarks	37,000 approx.	n.a.	7-50	Five cents of increase effective 7-1-50 and 5¢ as of 9-15-50. Contributory pension plan retroactive to 7-1-50. Minimum pension of \$125 month, including Social Security. Improved insurance and hospital benefits. Additional paid holiday making a total of 7. Skilled workers received additional increase. Two-year contract. Next wage reopening 8-15-51. (United Electrical, Radio, & Machine Workers)
Globe-Union Inc..... Fort Dodge, Iowa	WE	\$.05 hr. to \$.08 hr.	7-1-50	185	n.a.	n.a.	Contract signed 7-11-50 and is effective until 2-1-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Harris-Seybold Co..... Dayton, O.	WE	\$.07 hr. incentive \$.06 hr. non-incentive	9-8-50	540	\$1.71 hr.	6-21-48	Three weeks' vacation after 15 years' service. Liberalized insurance and welfare plan. Wage reopening 6-15-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
	S	\$20 mo. to \$30 mo.	9-4-50	153	\$318.75 mo.	6-21-48	Similar group insurance and welfare plan. Salary pension plan in process of liberalization. (No union)
The Hertner Electric Co..... Cleveland, O.	WE	\$.05 hr.	8-1-50	187	\$1.55 hr. average	1-1-50	Three weeks' vacation for 15 years' instead of 20 years' service. Wage reopening once during 1951. (United Electrical, Radio & Machine Workers)
Huffman Mfg. Co..... Dayton, O.	WE	\$.10 hr.	8-1-50	370	\$1.74 hr. average	6-17-49	Further wage changes depend on price of article manufactured by this company. Three weeks' paid vacation for employees with fifteen years' seniority. Wage reopening 8-1-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
*Ingersoll-Rand Corning, N. Y.	S	\$4 wk.	8-1-50	86	n.a.	n.a.	Same benefits as above. (No union)
International Harvester Co..... Louisville, Ky.	WE	\$.08 hr.	9-50	1,600 approx.	n.a.	n.a.	Bonus of \$100. Pension plan. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
	WE	\$.10 hr.	8-21-50	3,308 approx.	n.a.	n.a.	Of this increase, 6¢ hour is cost of living increase. Cost of living allowance to be adjusted 1¢ for every 1.14-point change in BLS index from the 7-50 figure. Additional 4¢ annual improvement increase 8-21-51. (United Electrical, Radio & Machine Workers)
McCray Refrigerator Co..... Kendallville, Ind.	WE	\$.10 hr.	7-31-50	400	\$1.27 hr.	8-2-49	Improved hospital, surgical and weekly benefits. Next wage reopening 6-16-51. Opening every 6 months for increase or decrease, depending on cost of living. (Federal Labor Union, AFL)
Milwaukee Flush Valve Co..... Milwaukee, Wis.	WE	\$.08 hr. \$.05 hr. piece-worker	6-26-50	100	n.a.	n.a.	Contract signed 7-7-50 and to continue in effect until 6-1-51 and from year to year unless either party gives notice 60 days prior to 6-1 in any year. (UAW, AFL)
	S	6% approx.	7-1-50	30	n.a.	n.a.	(No union)
Moline Tool Co..... Moline, Ill.	WE	\$.08 hr.	7-10-50	63	n.a.	n.a.	Liberalized vacations. Salaried employees received increases also. Wage reopening anytime on 30 days' notice. (United Electrical, Radio & Machine Workers)
*Otis Elevator Company..... Yonkers, N. Y.	WE	\$.10 hr.	9-50	1,500	n.a.	n.a.	Cost of living adjustments of 1¢ hour for every 1.14-point rise in index. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Pneumatic Scale Corp., Ltd..... North Quincy, Mass.	WE	\$.05 hr.	6-12-50	400	n.a.	n.a.	Two paid holidays. Contract effective until 6-11-52. (Retail, Wholesale and Dept. Store Union, CIO)
	S	\$2 wk.	6-12-50	295	n.a.	n.a.	(No union)
Pressed Steel Tank Company..... Milwaukee, Wis.	WE	\$.06 hr.	7-30-50	900	\$1.03 hr.	3-6-50	Contract terminates 2-15-51. (United Steelworkers, CIO)
	S	5%	7-30-50	160	n.a.	n.a.	(No union)
Radio Corporation of America..... Victor Division Camden, N. J.	WE	\$.05 hr.	9-11-50	8,400	n.a.	n.a.	General increase of 4½¢ hour to be effective 6-4-51. Liberalized hospital-surgical insurance plus dependency coverage. Wage reopening after 4-1-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Metal Manufactures (Continued)</i>							
Sargent & Company, Inc..... New Haven, Conn.	WE	\$.05 hr.	7-5-50	1,300	n.a.	n.a.	Liberalized group insurance, sickness, accident and surgical, medical benefits. Wage reopening 7-1-51. (United Electrical, Radio & Machine Workers)
*Singer Manufacturing Co..... South Bend, Ind.	WE	\$.07 hr.	9-50	1,800	see remarks	6-50	Voluntary increase. Additional 5¢ increase to certain skilled workers. Wage increase of 5¢ to 15¢ was granted under contract with Int'l Union of Electrical, Radio & Machine Workers, CIO, 3 months before. Salaried workers to get comparable wage raise.
Sylvania Electric Products, Inc..... Interstate	WE	\$.10 hr.	9-11-50	1,850 approx.	\$.855 hr. minimum	6-48	Two additional paid holidays making a total of 8. Company-paid Blue Cross and Blue Shield coverage for employees, weekly sick benefits, group insurance and retirement insurance. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Syracuse Chilled Plow Company..... Syracuse, N. Y.	WE	7%	9-4-50	197	n.a.	6-6-49	Cost of living increase of 4%. Annual 3% wage rise. Quarterly cost of living adjustments of 1% for every 1% rise in BLS index. Also, improved pension and insurance plan. Wage reopening 9-8-55. (Federal Labor Union, AFL)
Timken-Detroit Axle Company..... Detroit, Mich.	S	7%	8-15-50	48	n.a.	n.a.	(No union)
	WE	\$.10 hr.	9-11-50	3,275	n.a.	n.a.	Pension of \$112.50 month at age 65, with 25 years' service. An additional \$1.50 month for each year over 25 up to maximum of 30 years. Insurance paid by company. Wage reopening 7-24-51. (UAW, CIO)
*Westinghouse Electric Corp..... Interstate	WE	\$.10 hr.	9-18-50	50,000 approx.	\$1.56 hr. average	n.a.	Noncontributory minimum pension of \$100 month including Social Security. One-year contract which can be reopened for wages in 6 months. Social insurance program. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
<i>Metals</i>							
Cadillac Malleable Iron Co..... Cadillac, Mich.	WE	\$.10 hr.	6-16-50	160	n.a.	n.a.	Wage reopening 6-51. (UAW, CIO)
The Columbus Forge & Iron Co..... Columbus, O.	WE	\$.04 hr.	6-50	n.a.	n.a.	n.a.	Extended noncontributory hospitalization and surgical plan for employee and dependents. Life insurance plan for employees. Contract negotiated 8-48, extended to 7-51. (UAW, CIO)
Doehler-Jarvis Corporation..... Toledo, O.; Chicago, Ill.; Batavia and Pottstown, Pa.	WE	\$.04 hr.	5-1-50	7,000	n.a.	n.a.	Annual 4¢ hour increase. Skilled workers received 5¢ additional this year. Cost of living formula. Quarterly adjustments of 1¢ for each 1.14-point change in BLS index. Bonus of 5% to nonincentive workers. Funded pension of \$100 month, including Social Security, for employees 65-69 years of age with 25 years' service. Group insurance, death benefits, sickness and accident benefits. Full pay for permanent disability. Company pays half hospitalization premium. No wage reopening. (UAW, CIO)
Eastern Malleable Iron Co..... Naugatuck, Conn.	WE	\$.035 hr.	7-17-50	372	n.a.	7-1-49	Noncontributory life insurance, accidental death, accident and sickness, hospital and surgical benefits, formerly contributory. Wage reopening 5-17-51. (United Steelworkers, CIO)
International Steel Company..... Dominguez, Calif.	S	3%	7-17-50	63	n.a.	n.a.	Same benefits as above. (No union)
	WE & S	\$.04 hr.	9-4-50	525	\$1.06 hr. to \$1.56 hr. minimum	1-1-50	Additional 5¢ hour 1-1-51, 4¢ hour 7-1-51 and 5¢ hour 1-1-52. Contract extended to 12-31-52. (Int'l Ass'n of Bridge, Structural and Ornamental Iron Workers, AFL)
<i>Paper</i>							
American Box Board Company..... Filer City, Mich.	WE	\$.05 hr.	7-3-50	250	n.a.	n.a.	(UMW, Dist. 50)
Chase Bag Company..... Buffalo, N. Y.	S	5%	7-3-50	30	n.a.	n.a.	
	WE	5.5%	7-24-50	102	n.a.	n.a.	Contract expires 7-1-51. (Textile Workers Union, CIO)
Container Corporation of America... Rock Island, Ill.	WE	\$.05 hr.	6-10-50	200 approx.	n.a.	n.a.	No wage reopening. (United Electrical, Radio & Machine Workers)
The Diamond Match Company..... Ogdensburg, N. Y.	WE	\$.085 hr.	6-1-50	285 approx.	\$.95 hr.	6-5-48	Four paid holidays. Wage reopening 8-1-51. (United Paperworkers, CIO)
Dixie Cup Co..... Easton, Pa.	WE	\$.06 hr.	7-3-50	1,070	\$1.18 hr. average	9-1-49	Three weeks' vacation after 15 years' service. Medical and surgical plan adopted covering employees only. Cost not to exceed \$1.10 per month with company paying entire cost. No wage reopening. Contract expires 8-31-51. (United Paperworkers, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Paper (Continued)</i>							
Doeskin Products, Inc..... Northampton, Mass.	WE	8%	7-1-50	160	n.a.	n.a.	Group insurance providing accident and death benefits. One additional paid holiday. Time and one-half for Saturday work as such whether or not in excess of 40 hours. No wage reopening. (Int'l Bro. of Paper Makers, AFL)
Hollingsworth & Vose Company..... East Walpole, Mass.	S	\$2 wk.	7-1-50	60	n.a.	n.a.	(No union)
International Paper Co..... Southern Kraft Division Interstate	WE	\$.07 hr. to \$.10 hr.	6-1-50	11,000	n.a.	6-1-49	Improved pension plan. Three weeks' vacation after 15 years. Wage reopening 6-1-51 or on 30 days' notice. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL; other unions)
	S	5%	6-1-50	n.a.	n.a.	n.a.	Increase effective for all office employees in 10 mills; 220 employees in 4 mills are union members. Improved pension plan. Three weeks' vacation after 15 years. Contract signed 10-1-50. Wage reopening 10-1-51 or 60 days' notice. (Office Employees Int'l Union, AFL; and no union)
Knowlton Bros..... Watertown, N. Y.	WE	4%	10-2-50	129	\$1.11 hr.	8-1-50	Three weeks' vacation after 15 years. Holiday counted toward overtime. Wage reopening on 30 days' notice. (Int'l Bro. of Paper Makers, AFL)
	S	10% average	8-1-50	19	n.a.	n.a.	(No union)
Minneapolis and Ontario Paper Company International Falls, Minn.	WE	\$.07 hr.	5-1-50	1,690	\$1.09 hr. 48-hr. wk. \$1.20 hr. 40-hr. wk.	5-1-48	Employees now contribute to insurance plan, previously noncontributory. One wage reopening on 60 days' notice prior to 5-1-51. (Int'l Bro. of Paper Makers, AFL; 10 other unions)
Munising Paper Co..... Munising, Mich.	WE	\$.05 hr.	6-4-50	400	\$1.115 hr. base rate	7-4-48	Wage reopening once during term of agreement on 30 days' notice. (Int'l Bro. of Paper Makers, AFL; Int'l Bro. of Pulp, Sulphite & Paper Mill Workers, AFL)
Sorg Paper Company..... Middletown, O.	WE	\$.03 hr. general increase	7-3-50	n.a.	n.a.	n.a.	Increase result of wage reopening. Additional holiday pay. Present contract expires 11-1-50. (United Paperworkers, CIO)
Tileston and Hollingsworth Company Boston, Mass.	WE	\$.06 hr.	7-3-50	275 approx.	\$1.08 hr. minimum	7-3-48	Three weeks' vacation after 15 years' service. Salaried employees received approximately the same increase. Wage reopening 7-1-51. (Int'l Bro. of Paper Makers, AFL)
S. D. Warren Company..... Gardiner, Me.	WE	\$.05 hr.	7-2-50	100	\$1.148 hr.	1-2-49	Pension plan. Wage reopening on 60 days' notice. (Int'l Bro. of Paper Makers, AFL)
<i>Petroleum and Allied Products</i>							
*Esso Standard Oil Company..... New Jersey	WE	6%	9-15-50	8,000	n.a.	n.a.	Increase to meet rise in cost of living. Affects all employees—union, nonunion and supervisory. (Petroleum Workers Union, Ind.)
Quaker State Oil Refining Corporation Oil City, Emlenton, Farmers Valley, Pa.; St. Mary's, W. Va.	WE	\$.055 hr.	see remarks	730	\$1.265 hr. common labor	n.a.	Increase effective for Oil City, Emlenton, Farmers Valley and St. Mary's on 2-12, 2-13, 7-6 and 1-12, respectively. (Oil Workers Int'l Union, CIO)
<i>Printing and Publishing</i>							
*New York Journal-American..... New York	S	\$3.55 wk. to \$6 wk. general increase	9-50	n.a.	n.a.	n.a.	Increase in top wage minimum of \$1.20 week. Four weeks' vacation after 15 years. Two additional paid holidays making a total of 8. (New York Newspaper Guild, CIO)
*New York Times..... New York, N. Y.	S	\$3 wk. to \$10 wk.	9-14-50	n.a.	n.a.	n.a.	Increase awarded through arbitration. Benefits through direct negotiation. Thirty-five hour instead of 37½ hour work week. Eight paid holidays instead of 6 full and 2 half holidays. Four weeks' vacation after 15 years' service. (New York Newspaper Guild, CIO)
Toledo Blade..... Toledo, O.	S	\$1 wk. to \$2.50 wk.	retro. to 12-10-49	n.a.	n.a.	n.a.	Contract signed 7-21-50, effective till 7-20-51. (Toledo Newspaper Guild, CIO)
<i>Public Utilities</i>							
Central Maine Power Company..... Augusta, Me.	WE	\$.03 hr.	5-50	1,032	n.a.	5-49	Company pays for employees' hospitalization and surgical benefit insurance. Three weeks' vacation to employees with 15 years of service on or before 10-1-51. Wage reopening 5-1-52 unless average cost of living for 12 months ended 4-30-51 rises 6% or more in excess of averages for the preceding 12 months, in which case contract may be reopened in 1951. (Int'l Bro. of Electrical Workers, AFL)

A—WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
Public Utilities (Continued)							
San Diego Gas & Electric Co..... San Diego, Calif.	WE	\$0.06 hr.	8-20-50	n.a.	n.a.	8-49	Result of wage reopening. Reopening scheduled for 3-51 already negotiated. Additional 1.75% increase in wages to be effective 3-4-51. Also provides for 3 weeks' vacation after 15 years' service. Next reopening date 3-1-52. (Int'l Bro. of Electrical Workers, AFL)
Southern Indiana Gas & Electric Co. Evansville, Ind.	WE	5% general increase	8-1-50	405	\$1.46 hr. average	8-1-49	Liberalized vacation plan. Wage reopening 8-1-51. (Int'l Bro. of Electrical Workers, AFL)
Stone, Clay and Glass Products							
Certain-Teed Products Corporation.. Marseilles, Ill.	WE	\$0.08 hr.	4-1-50	200	\$1.12 hr. base rate	4-1-49	(United Cement, Lime & Gypsum Workers, AFL)
*Nat'l Ass'n of Manufacturers of Pressed and Blown Glassware Interstate	WE	\$0.10 hr. pro- duction workers	9-50	3,000	n.a.	n.a.	Increased pay for piece and incentive workers. Improved vacation pay. Three paid holidays. Contract runs to 9-51. (Amer. Flint Glass Workers, AFL)
Textile and Allied Products							
American Woolen Company..... Me., Mass., R. I., N. Y., and Ky.	WE	\$0.12 hr.	10-9-50	20,000	\$1.35 *hr. average	n.a.	Voluntary increase. Cost of living bonus had been given 2-1-48. Wage reopening 2-1-51. (Textile Workers Union, CIO; United Textile Workers, AFL)
Armstrong Cork Company..... Lancaster, Pa.	S WE	\$0.12 hr. \$0.03 hr.	10-9-50 9-25-50	1,000 4,200	n.a. \$1.18 hr. minimum rate	n.a. 8-14-50	(No union) Voluntary increase. Adjustments range from 4¢ to 13¢ in higher job classes. Contract may be opened for wages if cost of living increases 5% above 8-15-50 base. Future wage reopening 60 days prior to 11-1-51. Also improved pension plan, disability pay, surgical benefits and group insurance. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Celanese Corp. of America..... Hopewell, Va.	WE	\$0.03 hr.	7-2-50	781	n.a.	n.a.	Three additional paid holidays making a total of 6. No wage reopening. Contract runs to 10-8-51. (UMW, Dist. 50)
*Clothing Mfg. Ass'n of the United States	WE	\$1.25 hr. piece- worker \$5 wk. week worker	11-20-50	150,000	\$1.50 hr. average	11-47	(Amalgamated Clothing Workers, CIO)
*J. P. Coats, Inc..... Pawtucket, R. I.	WE	10%	9-50	3,100	\$1.19 hr. average	n.a.	Voluntary increase.
*Cone Mills..... Greensboro, N. C.	WE	8%	9-18-50	4,000	n.a.	n.a.	Increase affects employees in the nonunion mills.
Continental-Diamond Fibre Company Bridgeport, Pa.	WE	\$0.05 hr.	6-26-50	739	n.a.	n.a.	Retirement benefit of \$40 per month, excluding Social Security, payable on retirement at age 65 or older to employees with 25 years or more credited service. Wage reopening 6-26-51. Contract effective until 6-26-52. (United Textile Workers, AFL)
	S	\$10 mo. to \$15 mo.	6-26-50	54	n.a.	n.a.	Same benefits as above. (No union)
*Firth Carpet Co..... New York, N. Y.	WE	\$0.10 hr.	10-1-50	n.a.	n.a.	n.a.	Voluntary increase for all employees. Maximum pension of \$100 month including Social Security.
Franklin Process Company..... Philadelphia, Pa.	WE	\$0.10 hr.	8-7-50	240	n.a.	n.a.	Increase of \$5 per week in accident and health benefits. Additional paid holiday. Wage reopening 8-7-51. (Textile Workers Union, CIO)
New Bedford Rayon Company..... New Bedford, Mass.	WE	\$0.09 hr.	7-31-50	435	n.a.	n.a.	Additional 3¢ hour 7-30-51. Holiday pay—2½ times for holidays worked. (Textile Workers Union, CIO)
*Silk & Rayon Dyeing Plants..... New York area	WE	\$0.12 hr. across the board	9-30-50	15,000	\$1.36 hr. average	n.a.	Contract expires 9-30-51. (Textile Workers Union, CIO)
Sloane-Blabon Corporation..... Trenton, N. J.	WE	\$0.10 hr.	9-25-50	n.a.	n.a.	n.a.	Result of reopening of contract dated 12-9-49. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Textron, Inc..... Nashua, Suncook and Manchester, N. H.	WE	10%	10-1-50	3,000*	\$0.97 hr. minimum	1-1-48	Voluntary agreement signed 9-18-50. Provides for additional 5% increase effective 9-30-51 and 9-28-52. Cost of living escalator clause: quarterly review of wages with adjustment of 1¢ for each 1.14-point change in BLS index. Increased hospitalization, surgical, sickness and accident and special benefits. Contract extended to 3-15-51. Original contract would have expired 3-15-54. (Textile Workers Union, CIO)

A—WAGE INCREASE ANNOUNCEMENTS—SEPTEMBER 15 TO OCTOBER 15—Continued

Company	Type of Worker ¹	Increase			Previous Rate or Range		Remarks
		Amount	Date Effective	Number Affected	Rate	Effective	
<i>Transportation and Communication</i>							
Los Angeles Transit Lines..... Los Angeles, Calif.	WE	\$.05 hr.	6-1-50	3,182	\$1.47 hr. operators \$1.67 hr. mechanics	6-1-49	Additional 3¢ hour 6-1-51. Contract runs for 2-year period, expiring 5-31-52. (Amal. Ass'n of Street, Electric Railway and Motor Coach Employees, AFL)
*Louisville Railway Co..... Louisville, Ky.	S WE	\$10 mo. \$.07 hr.	7-1-50 9-50	491 n.a.	n.a. n.a.	n.a. n.a.	(No union) Affects drivers and mechanics. (Bro. of Railroad Trainmen, Ind.)
Metropolitan Transit Authority..... Boston, Mass.	WE	\$.145 hr. across the board	2-11-50	71	n.a.	n.a.	Additional vacation privileges. Contract effective until 8-10-51. (Int'l Fed. of Technical Engineers, Architects and Draftsmen, AFL)
Milwaukee Electric Railway & Transport Co..... Milwaukee, Wis.	S	\$12.25 mo. minimum	4-1-50	132	n.a.	n.a.	Three weeks' vacation with pay after 15 instead of 20 years' continuous service. Wage reopening 1-1-52. (Office Employees Int'l Union, AFL)
*New York Central Railroad..... Interstate	WE	\$.23 hr.	9-29-50	n.a.	n.a.	n.a.	Quarterly cost of living adjustments of 1¢ hour for each 1-point change in BLS index. (Railroad Yardmasters of North America, Ind.)
San Diego Transit System..... San Diego, Calif.	WE	\$.05 hr.	8-16-50	525	\$1.50 hr.	8-17-49	Additional 3¢ hour increase effective 8-16-51. Wage reopening 9-1-52. (Amal. Ass'n of Street, Electric Railway & Motor Coach Employees, AFL)
*Railroad Yardmasters..... Interstate	S	\$15 mo.	n.a.	n.a.	n.a.	n.a.	(No union)
	WE	\$.23 hr.	9-50	3,600	\$420 mo. average	n.a.	Cost of living adjustment of 1¢ hour for every rise of 1 point in BLS index. Three-year moratorium on changes in basic wage rates and rules. Adoption of a 5-day work week in principle set aside for at least one year. (Railroad Yardmasters of America, AFL)
<i>Miscellaneous Industries</i>							
*Associated Hotels & Residence Clubs, Inc. New York	WE	7.5% to 10%	10-50	2,000	n.a.	n.a.	Increase based on rising cost of living. (Building Service Employees' Int'l Union, AFL)
Columbia Terminals Co..... St. Louis, Mo.; East St. Louis, Ill.	WE	\$.10 hr.	7-1-50	325	\$1.30 hr. to \$1.50 hr.	6-1-49	Two-year contract; no wage reopening. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)
*Dockmen..... Atlantic Coast	WE	\$.12 hr.	9-50	45,000	\$1.88 hr.	n.a.	An additional 20,000 clerks, checkers and allied workers will receive proportionate increases. (Int'l Longshoremen's Ass'n, AFL)
Goodyear Tire & Rubber Company.. Decatur, Ala.	WE	\$.08 hr.	9-18-50	1,429	\$.94 hr. minimum	n.a.	Contract expires 6-4-52. (United Textile Workers, AFL)
*Safeway Stores Inc..... New York and Northern New Jersey	S	\$5 wk. across the board	9-50	1,200	\$40 wk. to \$85 wk.	n.a.	(Retail Wholesale & Dept. Store Union, CIO)

B—Settlements for Fringe Benefits Only

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
American Brass Company..... Waterbury, Conn.	WE	n.a.	n.a.	Company-paid hospital and surgical insurance for employees and dependents. Accident and health insurance, and accidental death and dismemberment insurance for employees only. Three weeks' vacation after 20 years' service. Wage reopening 7-9-51. (Progressive Metalworkers Council, CIO)
*Bell & Gossett Co..... Chicago, Ill.	WE	9-28	800	Share-of-profits bonus of \$125. Covers office and factory workers.
Bigelow-Sanford Carpet Co., Inc..... New York, N. Y.	S	n.a.	n.a.	Increase in grade schedule. Time and one half for hours worked on holiday. Three holidays granted for employees of the Jewish faith. Change in vacation schedule. Attendance bonus plan. Contract signed 6-13-50. Effective through 12-31-51 without reopening. (Office Employees' Int'l Union, AFL)
*Brewery Workers..... New York	WE	10-50	7,000	Contributory pension provided for under contract 6-49. Pension will provide retirement benefits ranging as high as \$175 month, including Social Security. (Int'l Union of United Brewery, Flour, Cereal, Soft Drink & Distillery Workers, CIO)
Dan River Mills, Inc..... Danville, Va.	S	n.a.	n.a.	Vacation pay to retired employees in the year they retire. Wage reopening 2-5-51. (Textile Workers Union, CIO)
Dexter Folder Company..... Pearl River, N. Y.	WE S	6-1-50 6-1-50	225 45	Changes in insurance benefits. (Int'l Ass'n of Machinists, Ind.)
*H. B. Fuller Co..... Cincinnati, O.	WE	9-50	150	Same as above. (Office Employees Int'l Union, AFL)
Hollingsworth & Vose Company..... East Walpole, Mass.	WE	7-1-50	180	Personal holiday with pay for each employee on his birthday.
International Resistance Co..... Philadelphia, Pa.	WE	4-3-50	1,100	Pension of \$100 month, including Social Security. Three weeks' vacation after 15 years. Contract effective until 7-1-51. (United Paperworkers, CIO)

B—SETTLEMENTS FOR FRINGE BENEFITS ONLY—Continued

Company	Type of Worker ¹	Benefits		Remarks
		Date Effective	Number Affected	
The Mengel Company..... Laurel, Miss.	WE	7-21-50	425 approx.	Three additional paid holidays making a total of 6. Either the company or union may, upon sixty days' notice, reopen on wages once during the life of the agreement. No reopening during first three or last three months. (Int'l Woodworkers of America, CIO)
*Milk Companies..... N. Y., N. J. and Conn.	WE	11-1-50	15,000	New retirement plan affects drivers and dairy employees. Pension of \$130 month, including Social Security. Permanent disability provision. (Int'l Bro. of Teamsters, Chauffeurs, Warehousemen and Helpers, AFL)

C—Wage Decrease

Company	Type of Worker ¹	Decrease		Remarks
		Date Effective	Number Affected	
Timken-Detroit Axle Co..... Detroit, Mich.	WE	9-11-50	390	Decrease of 15¢ hour. (UAW-CIO)

¹Type of worker: WE, wage earner; S, salaried employee.
*Obtained from press reports—information not verified.
n.a. Not available.

Salary Increases

(Continued from page 416)

(Petroleum company—hourly employees: 6%)

"We granted a general increase to all employees except directors. The individual adjustment was 6%, with a minimum amount of \$17.33 per month and a maximum amount of \$60 per month."

* * *

(Manufacturing company—hourly employees: 8 cents)

"When a general increase was given recently to production workers it was decided to increase the salary structures of our salaried personnel. However, since it was felt that granting a general increase to such employees might destroy the fundamental philosophy of the merit range plan, it was decided that no general increase would be given to these groups, but the new salary structure would permit greater flexibility in granting merit increases. The salary structure for the home office clerical employees was increased approximately 7%, and for clerical and service personnel in the field the increase was approximately 5%.

"Because of certain pressures at the home office in connection with clerical personnel, it was decided to grant what amounted to a general increase as follows:

Salary grades 1, 2, and 3.....\$3.20 per week
Salary grades 4 and 5..... 4.00 per week
Salary grades 6, 7 and 8..... 5.00 per week

"The lowest salary grades were increased \$3.20 per week (or 8 cents per hour) to correspond with the increases given to the production workers.

"With respect to the clerical and service personnel in the

field, no specific formula was followed. In many instances the field has followed the practice of granting increases in line with suggestions in our salary manual and in accordance with the salary grade of the individual. In other instances, the amount of the increase may be a dollar or two in excess of the normal amount, especially if the employee had not received a merit increase recently."

* * *

(Manufacturing company)

Hourly employees

	Amount of Increase
\$1.45 or less.....	10 cents
1.46 to 1.50.....	11 cents
1.51 and up.....	12 cents

Salaried employees (nonexempt under wage-hour law) with weekly base rates

	Amount of Increase
\$58.00 or less.....	\$4.00
58.40 to 60.00.....	4.40
60.40 and up.....	4.80

Salaried employees (exempt under wage-hour law) with monthly base rates

	Amount of Increase
\$299 or less.....	\$20
300 to 399.....	25
400 to 499.....	30
500 to 599*.....	35
600 to 699*.....	40
700 to 799*.....	45
800 to 899*.....	50

*Automatic application to individuals was cut off at approximately \$525, but rate schedules were adjusted for future usage on a merit basis. The \$525 cut-off was not entirely rigid as the automatic increase applied only to first and second level supervision and equivalent staff personnel. In a few cases, increases below the cut-off figure were withheld, and also a few cases above the cut off were given individual increases to avoid inequities.

"As can be seen from the above, nonexempt office employees received identical increases to the hourly factory group."

(Petroleum company—hourly employees: 6%)

"A general increase of 6%, with a floor of 10 cents per hour for hourly workers and \$17 per month for salaried workers was granted in September. Members of the board were excepted."

* * *

(Petroleum company—hourly employees: 6%)

"We granted a 6% general increase to all unorganized salaried employees up to but not including corporate officers. The increases were calculated at 6%, rounded off to the next higher \$5 in the case of salaries on a monthly basis, and, in the case of annual salaries, rounded off to the next higher \$100.

"The decision to extend the general increase up to but not including the officer level was arbitrary, although we feel that our whole wage and salary structure is in such delicate balance, and 'feathers off' so imperceptibly as we ascend from daily rates at the bottom to the top management rates that there is no other logical line of demarcation."

* * *

(Manufacturing company—hourly employees: 6 cents)

"We granted a fairly general increase to our unorganized salaried employees below the grade of executive, effective the same date on which the general increase to the production employees became effective.

"This was in the form of individual adjustments averaging 6%, with no top or bottom limit to amount given. The only ones who did not participate were superannuated employees, new employees and those who had received an increase within thirty days. There was no top limit on salaries to which this applied, except, as I say, that top executives were excluded."

* * *

(Manufacturing company—hourly employees: 10 cents)

"We considered our 10-cent hourly adjustment to be the equivalent of 7%. Accordingly we gave an increase of 7% to the salaried employees, fixing the minimum amount at \$17.50 a month (calculated as 10 cents per hour for 173.3 hours). The adjustment was applicable to all salaries of \$750 per month or less, with individual consideration given to employees earning above that rate. This cut-off point included all line supervision through the rank of assistant superintendent and employees of corresponding status in other departments."

* * *

(Manufacturing company—hourly employees: 5 cents)

"The salaried employees were granted a flat \$2 per week, or \$4.33 semimonthly. The increases were applied on base salaries up to but not including \$6,000 per year. In fact, those employees with base salaries between \$5,896 and \$6,000 received only the amount which would bring them to \$6,000."

* * *

(Manufacturing company—hourly employees: 10 cents)

"Our unorganized salaried employees were given a 7½% increase, which means that those in a higher labor grade re-

ceived more money and, as a result, there was a greater spread between the lowest job rates and the top rates. This percentage began after the minimum of a flat \$20 was granted the lower-paid people, which made their increase slightly higher than the 10 cents per hour granted the organized employees. The increase was granted up to and including the level of \$500 per month, for nonevaluated positions, and up to and including \$715 where evaluation was in effect."

* * *

(Manufacturing company—hourly employees: 11 cents)

"An increase of \$4.40 per week was granted to all salaried employees earning \$120 or less per week in those plants in which the 11-cent general increase was granted to production workers. The \$120 maximum was pretty much an arbitrary dividing line and was the same one used in the last few general adjustments."

* * *

(Manufacturing company—hourly employees: 10 cents)

"We granted a 7½% increase to all of our salaried employees, made retroactively effective two weeks before the wage increase. The 7½% increase was arrived at by comparison with the percentage effect of the 10 cents per hour wage increase. The 7½% is applied to all salaries, rounded off to even dollars, with a minimum increase of \$25 per month. This was applied to everyone, regardless of rate of compensation."

* * *

(Manufacturing company—hourly employees: 5 cents)

"Nonsupervisory employees received \$2 per week. Supervisory employees received a \$10 per month increase up to the \$650 per month level. Those above did not receive the general increase."

* * *

(Manufacturing company—hourly employees: 10 cents)

"We granted a general salary increase to all employees, regardless of their present salary. Each was given the equivalent of a yearly increase of \$208 (10 cents for 2080 hours per year)."

* * *

(Manufacturing company—hourly employees: 10 cents)

"The salary of weekly paid employees was increased at the rate of 10 cents per hour. An increase of \$300 per year was granted to the monthly salaried employees up to \$7,000 per year except that those getting, for instance, \$6,800 would receive \$200.

"The wisdom of making \$7,000 per year the cut-off point is debatable. However, with the rapid expansion of this company in the last few years there are and have been no lack of opportunities. It was therefore the feeling that employees receiving a salary of \$7,000 or more should receive increases strictly upon a merit basis which, I think, is wholly satisfactory to the employees involved."

GENERAL vs. MERIT INCREASES

"It is expected that there will be some lessening of merit increases for salaried employees during the next six months

in view of the general increase. While we believe that this is only natural, at the same time we do not feel that the increases which have been granted during this period are to replace the merit increase program. Therefore, during the next twelve months our guess would be that between one third and two thirds of the employees are likely to receive merit increases under our regular program."

* * *

"Our regular review periods for salaried employees are June and December. We have approximately 1,500 unorganized salaried employees, and anticipate that approximately 45% of them will receive merit increases in December of this year and approximately the same percentage in June of next year. The total amount of these merit increases will approximate 1½% of the salaried payroll as of those dates."

* * *

"We are presently working on the 1951 salary budget, and it looks as though we will be including a little less than a third of our personnel in the merit budget. I believe our budgeting technique is a little different from most companies in that we do not include in the merit budget the adjustments given for promotion, or the first merit or the first three service increases that we give to clerical personnel. In arriving at the amount of the adjustment recently given, we discussed the possibility of a somewhat smaller percentage adjustment. Had we used the lower percentage, we would have been much more liberal in our salary budget for 1951, but since we were on the liberal side in the recent adjustment, we are on the conservative side in the merit budget."

* * *

"It is anticipated that less than one third of our salaried employees will be granted increases during the next twelve months. I do not want to imply that the general increase will tend to replace merit increases in this company, and my answer to this question is based on the fact that merit increases are seldom given to more than one third of our employees during any year, regardless of general increases."

* * *

"It has been our practice not to consider general increases in giving consideration to merit increases. Therefore, it may be expected that approximately one half to two thirds of the present salaried employees will receive merit increases within the next twelve months."

* * *

"We have for several years granted merit increases under a budgetary plan which is designed to maintain average salaries at a predetermined percentage of maximum. We know that it is necessary to grant merit increases annually in an amount equal to 2½% of our nonunion payroll to take care of attrition resulting from resignations, retirements, deaths, severances and promotions. Merit increases are granted to from one fourth to one third of our employees each year.

"It would be a bold statement for me to predict that this practice will be continued indefinitely. It is conceivable that a decline in business volume and a reduction in turnover would greatly reduce the amount of our merit increase program. On the other hand, a rapid expansion and an accelerated hiring and promotional program might justify in-

creasing the merit increase budget to something more than 2½%."

* * *

"We do not intend to change our merit increase plan in any way as a result of the adjustment we have now made. In other words, the adjustment was made for other reasons than to supplement or replace the merit increase program. Executive employees will be considered in accordance with our regular plan of giving such consideration annually, although the date of review may be advanced by thirty days this year."

* * *

"The general increase is not intended to supplement or in any way affect our policy of reviewing employees on a merit basis."

* * *

"In announcing the increase to salaried employees we specifically stated that this increase in no way affects the company policy with respect to merit increases. On the basis of past experience, it is safe to say that more than two thirds of our salaried (executive, administrative and professional) employees will receive merit increases within the next twelve months. The general increase was intended definitely to raise the whole salary level."

* * *

"The general increase will not affect our policy in respect to giving normal merit increases to salaried employees. It is, of course, difficult to predict a proportion of our employees who may receive increases in the coming twelve months. However, I can say that the general increase is definitely intended as a supplement to the normal merit progression of our employees."

* * *

"It is practically impossible to foresee the percentage of salaried employees who will within the next twelve months receive a merit increase. We have a policy of reviewing salaries periodically and merit increases are given with very little, if any, regard to economic adjustments such as our recent general increase."

* * *

"We do not regard the general increase as blocking merit increases under our salary range system. It is, however, speculative as to what percentage of our salaried employees will receive merit increases in the next twelve months. My guess would be approximately 25%."

* * *

"It is estimated that more than two thirds of the salaried employees will receive merit increases in the next twelve months. The general increase was not intended to replace merit increases."

* * *

"We believe that we have amply taken care of our personnel with the increases that have been granted and in studying our whole salary structure there will be less than one third who will receive merit increases during the next twelve months."

* * *

"Merit increases are not affected by a general increase, although if they occur at the same time, the merit increase may be delayed one month. We make an effort to have

our salaried employees reviewed twice a year for consideration for merit increases up to their established ceiling. We like to have this spread as evenly as we can over a twelve-month period. Our general increase was intended to supplement and not to replace our merit increase program."

* * *

"It is not intended that the general increase be in any

Excerpts from Replies of Nonunionized Firms

GENERAL INCREASE FORMULAS

Two casualty insurance companies made the following adjustments:

"Effective September 25 we gave a cost of living allowance to all employees except officers, computed on their first \$300 of monthly salary.

"The formula is as follows: $\frac{1}{2}$ of 1% of the first \$1.75 per hour rate for hourly rated employees and $\frac{1}{2}$ of 1% of the first \$140 of biweekly salary for salaried employees for each rise of one point, or major fraction thereof, in the average rise of the BLS cost of living index above a base of 166 during the last available six months' figures.

"The recent adjustment, amounting to 2%, applies to all pay received to December 31, 1950.

"Beginning in 1951, the adjustment percentage will be computed twice a year, just prior to January 1 and July 1. Each percentage will be applied to all pay periods in the following six-month period.

"The \$300 cut-off point was used mainly because it tied in roughly with the fact that the consumers' price index reflects subsistence costs rather than over-all costs. It was our intent to assist employees in bearing the additional cost of subsistence items."

* * *

"Effective October 1, 1950, an increase of 8 $\frac{1}{3}$ % of the annual rate of payment (including any October anniversary adjustment) was granted to all full-time, regular employees, but not exceeding \$300 in any case. Employees starting after September 30, 1950, and senior officers are not included. This is equivalent to one month's pay over the course of one year (subject to the \$300 limit).

"The \$300 ceiling was chosen in part because most employees earning above this level are eligible under our profit-sharing plan."

The following responses were received from fifteen eastern, midwestern and western banks, all having 500 employees or more:

"As of October 1, we increased the salaries of all employees other than officers. The increase was granted on the basis of \$15 per month up to and including the level of \$1,800, and \$10 a month over \$1,800. The increase was brought about primarily by the need of increasing our starting salaries in view of the competitive employment situation and we did not wish to restrict the adjustment to any particular group."

way applied to offset the application of a future merit increase, which will continue to be given, predicated on individual performance. I do not question, however, that the impact of a general salary movement, such as has been made this year, will have some influence on the operating management as to their thinking and the amounts of merit increase adjustments that will be made for individual performance."

"Effective November 1, we will give a 5% increase, rounded off to the nearest dollar, with a minimum increase of \$10 a month.

"The increase will be applicable up to the salary rate of \$7,000, which will bring individuals at that rate up to \$7,380. Employees receiving between \$7,000 and \$7,380 per year will be brought up to the latter figure. The figure of \$7,000 was selected to get as wide coverage of employees as possible within the limits of the total amount involved.

"The increase was designed to keep our bank competitive in salary rates which have, of course, been rising as a result of the rising cost of living and the increasing shortage of manpower. It was not announced as a temporary cost of living adjustment."

* * *

"Effective October 15, we gave a general increase to all employees except officers. The amount was 4% of present salary up to \$5,000, computed to the nearest \$5 multiple. Those paid over \$5,000 received a flat \$200 a year."

* * *

"The increase in living costs in many respects affects all of us equally. For this reason a flat sum increase has been combined with a percentage adjustment, which purposely gives a greater percentage increase to those with lower pay than to those with higher pay.

"The increase, effective October 16, will be \$169 per year (or \$3.25 per week), plus 3% of the present base salary. This amounts to an over-all increase of 10.1% in total payroll for nonofficers. Senior officers are excepted."

* * *

"We have not made a final determination of our program but we did make a 5% general increase, effective in October, to all nonofficer employees, at the same time substantially increasing the maximums in our salary evaluation schedule."

* * *

"A general increase was granted in October to all staff members, including a limited number of officers. For all affected, the increase was 6%, with a minimum increase of \$90 per year and a maximum increase of \$300 per year.

"The upper limit of eligibility was \$8,500. This figure is in keeping with that selected upon the occasion of previous general increases. It was chosen to include entire groups of officers with designated titles."

* * *

"This bank recently announced a general increase of 10% of annual base salary, effective October 1. It is a straight across-the-board increase applying to all officers and em-

ployees. The increase is not to exceed \$1,000 per year in the case of any individual. We felt this was a logical cut-off point."

* * *

"We granted a 6½% increase in salary, effective in October, 1950. The increase applies to persons who were in the employ of the bank prior to July 1, 1950, except those who receive salaries at the present rate of \$9,000 a year or more. Individual increases will be limited to 6½% of the first \$5,000 of annual salary, or \$325 per annum."

* * *

"A general increase in base salaries was granted to all employees except officers, effective October 1. It was based on the following schedule:

<i>Monthly Salary</i>	<i>Amount of Increase</i>
Up to \$250.....	\$10 per month
251 to 350.....	15 per month
351 and over.....	20 per month

The basis of the adjustment was the increased cost of living in this area as reflected by the Bureau of Labor Statistics index. It was not designed or announced as a temporary cost of living adjustment, however, since we are already making a separate monthly payment of extra compensation (cost of living) which is subject to change as future conditions change. This payment is based upon the number of dependents of each employee under the following schedule:

Single employees.....	\$20 per month
Employees with one dependent.....	30 per month
Employees with two or more dependents..	40 per month

It was considered that any present increase to this temporary cost of living payment would be disproportionate to base salaries."

* * *

"A general salary increase was given to practically all employees and executives. Although not rigidly adhered to, the over-all pattern consisted of an approximate 10% adjustment of January 1, 1950, rates which included any raises that had been granted since the first of the year."

* * *

"Each employee covered under the bank's job evaluation plan was granted an increase to the next higher amount in the bank's salary scale. This automatically increased the minimum and maximum of each salary range by one step. The increase was applicable to all employees other than officers because all but the officers are included in the job evaluation program."

* * *

Four banks report the use of accelerated merit increases in lieu of a general increase:

"We operate a job evaluation plan, and on September 15, 1950, increased our minimum and maximum rates by approximately 8-1/3% but they will vary slightly from that figure because, for the sake of easier administration, the adjustments were made in multiples of \$5. Within the new rate structure, we granted selective increases to about 60% of the nonofficer personnel. About 35% of the staff had received increases during the preceding six months and in

those cases we felt that no adjustment was necessary at this time. The remaining 5% were not adjusted for a number of reasons, but I would think that between now and the first of the year many of this group would receive salary increases.

"The increases granted were applicable to all salary rate ranges exclusive of the officers, and the net result of these adjustments of the rate ranges would be to raise our over-all salary structure in the course of the next two or three months by approximately 8-1/3%."

* * *

"This bank has given no general salary increase for a long while. We are not in sympathy with what we term 'blanket increases.' We have rather a thorough and aggressive arrangement whereby all staff salaries are under constant review. We have job-classifications with salary ranges and, depending upon the type of work, the name of any one who has not received an increase within a specified time for each group automatically comes up on a monthly list that is submitted to the designated officer for review. In addition to that, over-all reviews are made and where raises do not appear to have been granted, a review is made as to the reasons therefor.

"We have found that as against the prewar average, the salaries we are now paying for our nonofficer positions are up 71% or almost the exact equivalent of the cost of living increase.

"This, of course, does not take into consideration the increases that hundreds of our people have received due to promotions and advancement. Our own feeling is that it is unfair to compare bank salary increases for the nonofficial jobs with factory workers' salaries for the reasons that it does not give full credit to what banks are doing. It is obvious that since 1939 there are a heavy percentage of bank people who were members of the staff at that time, who have received promotions, and their salary has increased several hundred per cent.

"Our approach to the salary question is on an individual basis even though we are a reasonably large bank. We believe that it is fair, that the staff gets more consideration, and that it does give us the opportunity of recognizing ability and merit. From the above you will judge that we are constantly giving salary increases the year round."

* * *

"We have not had a general increase. However, during the past two or three months, we have granted increases in varying amounts from 5% to 12% to practically all employees. When completed, these adjustments will increase average monthly salaries approximately 6%. We have also increased our starting salary and our rate ranges.

"Officers' payroll was handled in a different manner in August, the individual increase again ranging from about 5% to 15%, but not covering so large a percentage of the total number."

* * *

"Since June we have granted increases to most of our salaried employees amounting to about 5% of the total payroll and distributed according to merit (or to adjust to market where we were paying less than market)."

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In the Record

Overtime Pay for the Supervisor?

Would you pay a first-line supervisor less than his highest-paid subordinate? The question is not academic; many companies today are grappling with this very situation.

The gradual lengthening of the work week in industry since the Korean outbreak has introduced the problem of how to pay the supervisor for his overtime. When a worker receives a 30% boost for a sixth day at time and a half, his foreman may take home less than he does.

There are many answers to this overtime question. The practices of thirty industrial companies surveyed by THE CONFERENCE BOARD appear in the article starting on the next page.

• • •

What's Ahead for the CIO

With the Communists out of the way, the CIO's 1950 convention lacked some of the fire-and-brimstone floor fights of previous years. However, rumblings of discontent were audible in the new more homogeneous atmosphere. Fresh jurisdictional squabbles have arisen to replace those that formerly involved the expelled Communist unions. Another development at the convention was the rise of a new left wing—one which might exercise a decided influence in the ideological leanings of the CIO. The report on this year's convention, appearing on page 448, will provide a preview of what may be ahead for this powerful labor organization.

• • •

Long-Term Contracts Getting Longer

If we wanted to be psychological we might say that the trend to three- and five-year union contracts indicates a need for some sort of stability in our topsy-turvy world. But for those who don't give a hang about psychology, it's still a fact that this trend has become more pronounced since the start of the Korean war. It doesn't mean, of course, that unions are willing to forego any wage increases during the contract period (there are various ways of getting around that obstacle). It doesn't even mean for sure that there will

be complete accord between management and the union. But prospects seem brighter for peace in this area. For the latest on this important subject, see page 445.

• • •

Are You Educating Your Employees?

How would you go about starting a telephone business in Jonesville—from raising the initial capital to selling the service?

Most of us would be pretty overwhelmed if this problem were suddenly dumped in our laps. But for the employees of The Bell Telephone Company of Pennsylvania this is just part of a one-day course given in connection with the employee education program. And a very successful course it is too, according to Bell. How it is handled, plus many other aspects of employee education at Bell Telephone of Pennsylvania are given in detail in the story starting on page 452. Watch for other articles in this series on how individual companies are handling employee education.

• • •

Where's the Index?

In the past, the December issue of the *Management Record* has carried the index for the ending year. You will not find it in this issue. But a more-inclusive-than-ever-before index to Volume XII, printed separately, will be sent to you with the January, 1951, issue. We think it's worth the extra month's wait.

• • •

Up and Up the Spiral

Wages and prices continued up the spiral staircase. October figures set another new record for earnings of hourly people. Although prices in general were just about at the 1948 all-time high (according to the Board's cost of living index), food and clothing prices were still below their level of September, 1948, at last checking.

Major components (housefurnishings, clothing, fuel, housing, and food) are all carefully surveyed, starting on page 467. Other stories are given on pages 462 and 473.

Paying Supervisors for Extended Overtime

What do you do when the worker makes more than his supervisor? Since Korea and the return of the overtime schedule, it's a problem many companies have had to face.

THERE seems to be a definite trend away from the idea that a supervisor should be expected to work any and all hours demanded of him without any additional compensation beyond his basic forty-hour pay."

This recent observation by an executive of a well-known corporation is borne out by a survey just completed by THE CONFERENCE BOARD. The survey covers the overtime pay practices of thirty industrial companies employing, in the aggregate, well over a million employees.

A majority of the cooperating companies compensate supervisors for overtime at straight time, or some variant of the straight-time formula. The remainder exhibit considerable diversity in practice. Some pay time and one half; a few pay no additional compensation at all.

NATURE OF PROBLEM

In the years following the cessation of hostilities in 1945, industry in general was on a forty-hour work schedule. In particular industries and for brief periods, the scheduled hours may have been greater or less than forty. By and large, however, the problem of extended work schedules was nonexistent.

The beginning of the war in Korea late in June, 1950, has changed the picture. A growing number of companies have added second or third shifts; others have begun working Saturdays. One of the consequences of the lengthened work week has been a need for a restudy by many managements of their overtime pay practices affecting foremen.

The basis of this need is obvious. An employee normally working five days who works a sixth eight-hour day at time and one half gets a 30% boost in weekly earnings. As it is uncommon in industry for a first-line supervisor to be paid a 30% higher base rate than his highest-paid subordinates, the anomalous and intolerable situation of a supervisor earning less than his men may arise—unless overtime is also paid the supervisor.

To learn how overtime pay for supervisors is set,

THE CONFERENCE BOARD addressed inquiries to a number of companies believed to be working an extended schedule in at least some of their departments. The reported practices of thirty companies that acknowledge having current experience with extended schedules form the basis of this report. Replies of other companies were excluded.

TECHNICAL COMMENT

The reason for this screening of the responses is twofold. Surveys of overtime pay practices of a random sample of companies sometimes report a very large percentage of companies that do not make such payments. Such surveys can be misleading, because a negative response to the question: "Do you pay overtime to foremen?" can have two entirely different interpretations. It may mean, if the company is currently working long hours, that it pays its supervisors a high enough salary to obviate the necessity of overtime pay. Suppose, however, the question is put to another company in peacetime when it has not for some years had occasion to work an extended schedule. In these circumstances, a negative response might mean: "We do not work overtime now, and have not for some years. I can't say what our practice would be if we should have to work a sixth

Industry Distribution of Thirty Reporting Companies, by Size of Company

Industry	Companies by Number of Employees	
	2,000-4,999	5,000 and Over
Aircraft and aircraft parts.....	0	8
Automobiles.....	0	3
Building materials.....	1	1
Chemicals.....	0	1
Electrical equipment.....	1	3
Instruments.....	0	1
Machinery.....	2	1
Metal products.....	0	1
Paper.....	1	1
Miscellaneous industrial.....	0	5
Total.....	5	25

day. But since you ask for a yes or no answer, I have to say no, we do not pay overtime."

The thirty companies included in this report are a homogeneous sample, in that all are today working extended schedules, at least in some departments.

The second reason for drawing only upon the experience of companies that are today working overtime is the fact that written pay practices tend to become obsolete, especially in times of inflation. Suppose that a statement of pay practice, drafted in 1942 and not applied since that time, prescribes time and one half for supervisors earning less than \$500 a month. Such a statement is of little help as a guide to present-day operations if the references to salary levels are not in terms of today's values.

The practices summarized in this report have the merit of being in current use, and of being expressed in terms of 1950 salary levels.

Summary of Overtime Rates

The overtime pay policies of the thirty companies are quite complex, and it is difficult to give a summary that is both simple and accurate. In a rough way, however the practices of these companies are essentially as follows:

Overtime Pay Rate	Number of Companies
None.....	4
Straight time, or equivalent.....	16
Straight time at lower levels; flat amount at upper levels	1
Time and one quarter.....	1
Time and one half at lower levels, tapering to half time.	1
Time and one half, or equivalent.....	7

NO OVERTIME PAY

Four of the thirty companies state that although some of their departments are working forty-eight hours or more, it is their practice not to make overtime payments to first-line supervisors. Excerpts from the replies of these companies follow:

"We do not pay overtime to our foremen. We have, in our opinion, set the salary for foremen sufficiently high to compensate for overtime work.

"During the major part of World War II, our foremen were paid a salary plus bonus. One of the factors in the computation of this bonus was the hours of work required of the foremen. This method of payment was abandoned approximately two years ago and a fixed rate of pay established without regard to the hours required of the foremen. While excessive and continuous overtime may be necessary in the immediate future in practically all departments, we as yet do not contemplate any change in our method of payment to our foremen."

* * *

"We do not pay overtime to exempt first-line supervisors. The foremen's earnings are well above the top hourly workers in their department—30% or more. The foremen

share in our plan under which all salaried personnel participate in the earnings of the company. In addition, the foreman is included in the regular profit-sharing plan. We feel that these two plans provide the incentive for working harder and longer hours where necessary."

* * *

"The foremen's base rate is fixed sufficiently high so that the problem of overtime does not arise."

* * *

"We do not pay overtime to foremen. Their base rate is usually sufficiently high so that the problem of differentials does not arise. Relief foremen are provided to prevent any foreman working more than six days per week."

TIME AND ONE QUARTER

One of the thirty companies pays time and one quarter, as follows:

"We pay overtime to all exempt employees whose base rate of pay is less than \$650 per month and who are required to work an extended overtime schedule. This overtime bonus is calculated on the following basis: the number of overtime hours is increased by 25% and the individual's equivalent hourly rate is applied to this adjusted total of hours, but only on his first \$400 of salary.

"For example: An employee receiving \$400 or less would receive $1\frac{1}{4}$ times his hourly rate for all authorized overtime hours he works. An employee receiving \$600 base salary would receive the same overtime bonus as that received by a man making \$400 per month.

"The advantage of this system is that, although the size of the bonus is the same, the percentage of base salary decreases. This is fair, because in determining the employee's original base salary, the expectation that occasional overtime hours would be involved was taken into account."

Another company pays straight time to lower levels of supervision and a flat amount to upper levels, as follows:

"It is company policy to pay salaried employees, when assigned to an approved extended work-week schedule, on the following basis:

Scheduled Work Week Hours	Base Rate of Pay for Regular Work Week	
	Up to \$135.00	\$135.01 to \$179.99
48.....	plus 20%	plus \$27 per week
56.....	plus 40%	plus \$54 per week

"Salaried employees whose rates of pay are \$180 or more per week are not entitled to additional payment for an extended work week."

Still another company pays time and one half to lower levels of supervision, tapering to half-time at \$7,500. The details are as follows:

"Exempt supervisory employees, except those receiving over \$7,500 a year, receive compensation for a regularly scheduled extended work week in accordance with a separate overtime allowance policy and schedule of payments.

This provides for computing overtime, by even hours, forty-one to sixty, at the rate of time and one half up to a base rate of approximately \$5,000 a year, and at a tapered rate (straight arithmetic taper from one and one half straight time for \$5,000 to one half straight time at \$7,500) for salaries between \$5,000 and \$7,500. The effect of this policy is that the first-line supervisors such as foremen receive overtime compensation computed at approximately the same rate as a nonexempt hourly paid or salaried employee below them. The principal difference between the two groups is, of course, that the nonexempts receive their compensation on an individually calculated time-worked basis where as the exempt employees receive compensation for a predetermined number of scheduled hours. Since substantially all of the exempt supervisory employees receive overtime compensation at a rate somewhere between time and one half and straight time, we find that both base rates and take-home are adequately safeguarded as between supervisors and employees in lower classifications.

"The purpose of overtime compensation at a tapered rate beyond \$5,000 is to avoid having either to extend overtime payments up to executive levels or to increase base rates to avoid serious overlapping in take-home."

TIME AND ONE HALF OR EQUIVALENT

Seven of the companies pay overtime at time and one half or a variant of that rate. Two of these firms are in the automotive industry; the other five are in five different industries. Details of their practices follow.

"Exempt salaried employees whose base salaries are not more than \$600 per month are eligible for extra compensation. The following percentages are applied on the first \$92.31 of weekly salary (equivalent to \$400 per month) to give the amount of weekly extra compensation:

5-day work week, including full Saturday....	10%
5-day work week, including full Sunday.....	20%
5-day work week, including full Saturday and full Sunday	30%
5½-day work week, including ½ day Saturday..	15%
5½-day work week, including ½ day Sunday..	20%
6-day work week, including full Saturday....	30%
6-day work week, including full Sunday.....	40%
6-day work week, including full Saturday and full Sunday	50%

* * *

"Where our supervisory employees are scheduled to work regularly on a six-day basis of eight hours per day, they receive an additional 30% of salary for the sixth day."

* * *

"Some of our plants are now and have been for some time on an extended-hours basis, and we have had for many years a policy providing for the payment of 'extended work week premium' to our exempt personnel who are scheduled to work beyond a normal forty-hour week.

"For example, if a manufacturing department is sched-

uled for a forty-eight hour week, the foreman of that department would be paid a premium of time and one half the hours in excess of forty. When it has been necessary to schedule general foremen for hours beyond forty, they too would receive extended work-week premium on a scheduled basis."

* * *

"Time and one half shall be paid to all employees, regardless of their exempt status under the Fair Labor Standards Act, for all authorized hours worked in excess of forty hours in any one week (including casual overtime), whose jobs are classified in Grades 1 to 8, inclusive.

"Employees classified in Grades 9 to 13, inclusive, whose jobs are exempt under the Fair Labor Standards Act, shall be paid overtime at one and a half times their base hourly rate but not to exceed one and a half times the base hourly rate for the maximum of Grade 8. The type of jobs covered are field engineers supervising construction work, material supervisors, office managers, etc., up to about \$8,000 per year.

"Since all the jobs above Grade 8 qualify as exempt, the top of this grade was chosen as the maximum rate for overtime purposes. In this case, the maximum for Grade 8 is \$103 per week. This converts to \$2.58 per hour, so everybody in Grade 9 and above who makes \$103 per week or more gets overtime at one and one half times \$2.58."

* * *

"Where a supervisor is scheduled to work six days, Monday through Saturday, he is paid six and one half days' pay, or time and one half for the sixth day. If he is scheduled to work five days and one of the days is Sunday, he receives a day's pay, or double time, for Sunday. If he is scheduled to work six days and one day is Sunday, he receives seven days' pay, or double time for Sunday."

* * *

"Our policy for overtime payment to exempt employees extends up to and including the level of factory superintendent. The premium rate is as follows:

"(a) Employees whose basic salary rates are less than \$5,000 per year:

"Time and one half for hours scheduled and worked in excess of eight per day on regular work days.

"Time and one half for hours scheduled and worked on Saturday or holidays.

"Double time for hours scheduled and worked on Sunday.

"(b) For employees at or above \$5,000 per year base salary:

"A flat \$3 per hour for hours scheduled and worked as indicated in (a) above."

* * *

"If the overtime is authorized in advance and amounts to at least two hours in any one day, exempt supervisors with basic salaries up to \$7,000 a year are paid time and one half at the basic salary rate. Furthermore, if the overtime is on a 'continuing scheduled basis,' even exempt personnel receiving in excess of \$7,000 a year are paid overtime, at

(Continued on page 470)

LONGER LONG-TERM CONTRACTS

PACED by Walter Reuther's United Automobile Workers, unions since Korea are signing contracts of longer duration. A decided shift to contracts running for longer than one year became evident even before the present emergency.¹ But since Korea, negotiators are signing more three- and five-year contracts than before.

Out of a sample of 229 contracts signed since June 25, the date of the outbreak of war in Korea, 10% run for three years and 6.6% run for five years. In the year prior to the outbreak, a sample of 306 contracts revealed only 2% that ran for three years and only 1% that ran for five years. Going back even further, only one contract out of 313 signed during 1947-1948 ran for three years. (See the chart.)

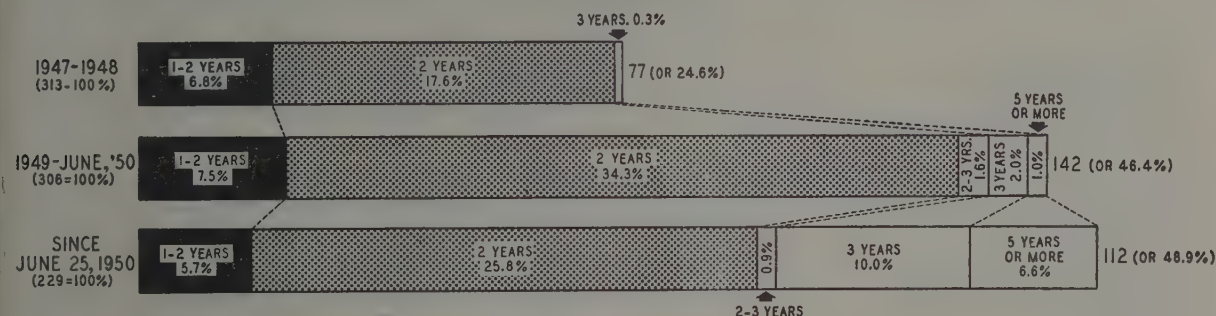
While union negotiators seem more willing to sign

¹See "The Shift to Longer-Term Contracts," *The Management Record*, July, 1950, p. 250.

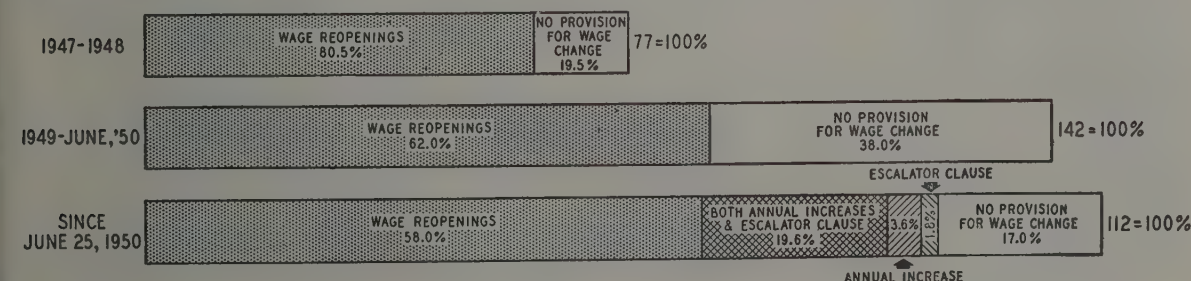
longer-term pacts, they are not willing to forego wage changes during the entire period. Four out of five of the recently negotiated longer-term pacts (those running for more than one year) provide for some method of changing wages during the life of the contract. (See Table 1.) Most often this is through the conventional wage reopening provision. However, in the three-year and five-year contracts, escalator clauses and annual wage increases are often relied upon to make the necessary wage changes. (See Table 3.)

The large proportion of contracts with provision for wage changes bears out a union policy: faced with a rising price level and uncertain economic conditions, unions want a chance to make changes. For example, from June, 1948, to June, 1950, the BLS consumers' price index was relatively inactive. Out of 142 longer-term contracts signed during that period, only three

Since Korea, More Three and Five Year Contracts¹



Plus Escalator Clauses and Annual Increases



¹Less-than-one-year contracts not shown.

out of five provided for wage reopenings. The year prior to that, 1947-1948, the price index was very active—and four out of five longer-term contracts provided for reopenings. Today, as previously noted, the figure is back to four out of five. (See the chart.)

The shift to longer-than-one-year contracts may be viewed as a trend. It has been sustained since 1948. But how strong is the swing to three- and five-year contracts? Is it strictly a UAW-CIO-produced phenomenon?

The UAW's bargaining policy does play a large part in accounting for the shift. Nine of the fifteen five-year contracts and five of the twenty-three three-year contracts were negotiated by the UAW-CIO.

Table 1: Wage-Change Provisions in Longer-Term Contracts

	Total		AFL	CIO	Ind.
	No.	%			
Total number of contracts longer than 1 yr.....	112	100.0	35	52	25
Wage reopening.....	65	58.0	17	31	17
Both annual increase and escalator.....	22	19.6	4	16	2
Annual increase.....	4	3.6	3	..	1
Escalator.....	2	1.8	2	..	..
No change in wage provisions	19	17.0	9	5	5

Table 3: Duration and Provision for Wage Changes in 229 Contracts Signed Since June 25, 1950

	Total		AFL	CIO	Ind.
	No.	%			
Total contracts.....	229	100.0	89	80	60
Less than 1 yr. contracts.....	4	1.7	2	2	..
Wage reopening.....	1	.4	..	1	..
No provision for wage change....	3	1.3	2	1	..
1 yr. contracts.....	113	49.3	52	26	35
Wage reopening.....	22	9.6	11	3	8
No provision for wage change....	91	39.7	41	23	27
1 yr. to 2 yr. contracts.....	13	5.7	8	3	2
Wage reopening.....	4	1.7	1	3	..
Both annual increase and escalator	1	.4	1	..	..
No provision for wage change....	8	3.5	6	..	2
2 yr. contracts.....	59	25.8	19	26	14
Wage reopening.....	45	19.7	13	21a	11
Escalator.....	1	.4	1	..	..
Annual increase.....	2	.9	2	..	..
No provision for wage change....	11	4.8	3	5	3
2 yr. to 3 yr. contracts.....	2	.9	..	2	..
Wage reopening.....	1	.4	..	1	..
Both annual increase and escalator	1	.4	..	1	..
3 yr. contracts.....	23	10.0	4	12b	7
Wage reopening.....	13	5.7	3	6	4
Escalator.....	1	.4	1	..	..
Annual increase.....	1	.4	..	..	1
Both annual increase and escalator	8	3.5	..	6	2
5 yr. contracts.....	15	6.6	4	9	2
Wage reopening.....	2	.9	..	..	2
Annual increase.....	1	.4	1	..	..
Both annual increase and escalator	12	5.2	3	9	..

aOne also provides for annual increase.

bIncludes one 3½ year contract.

Table 2: Analysis, by Unions, of Duration of 229 Contracts Signed Since June 25, 1950

	Total No.	Less than 1 Year	1 Year	1-2 Years	2 Years	2-3 Years	3 Years	5 Years
Total contracts.....	229	4	113	13	59	2	23	15
Total AFL contracts.....	89	2	52	8	19	..	4	4
Auto Workers (UAW-AFL).....	5	..	3	..	1	..	..	1
Carpenters and Joiners.....	3	..	2	..	1	..	..	..
Cement, Lime and Gypsum Workers.....	3	..	2	1	..	..	..	..
Chemical Workers.....	4	..	3	..	..	..	1	..
Electrical Workers.....	11	..	7	1	3	..	..	..
Engineers, Operating.....	3	1	..	..	1	..	..	1
Meat Cutters & Butcher Workmen.....	4	1	1	1	1	..	..	..
Molders & Foundry Workers.....	3	..	2	..	1	..	..	..
Office Employees.....	3	..	3	..	..	..	..	..
Paper Makers.....	9	..	8	..	..	..	1	..
Printing Pressmen & Assistants.....	3	..	2	..	1	..	..	..
Pulp, Sulphite & Paper Mill Workers.....	6	..	4	1	1	..	..	..
Teamsters.....	5	..	2	2	..	..	1	..
Textile Workers.....	3	..	1	..	2	..	..	..
Other AFL unions.....	24	..	12	2	7	..	1	2b
Total CIO contracts.....	80	2	26	3	26	2	12	9
Auto Workers (UAW-CIO).....	34	1	2	..	15	2	5	9
Electrical Workers (IUE-CIO).....	11	..	9	..	2	..	..	..
Gas, Coke & Chemical Workers.....	4	..	1	..	..	..	3	..
Oil Workers.....	3	..	2	1	..	..	..	..
Paperworkers.....	3	..	1	..	1	..	1	..
Rubber Workers.....	4	1	2	1	..	..	..	..
Steelworkers.....	8	..	2	1	4	..	1	..
Textile Workers.....	4	..	1	..	1	..	2a	..
Other CIO.....	9	..	6	..	3	..	..	..
Total independent contracts.....	60	..	35	2	14	..	7	2
Electrical Workers (UE-ind.).....	21	..	11	1	8	..	1	..
Longshoremen.....	3	..	..	..	..	..	3	..
Machinists.....	13	..	7	1	3	..	..	2
UMW, Dist. 50.....	11	..	8	..	1	..	2	..
Other independents.....	12	..	9	..	2	..	1	..

aIncludes one 3½ year contract.

bFederal Labor Unions.

But even without the UAW contracts, there would still be more three- and five-year pacts signed than in the previous periods.¹ The AFL unions alone have negotiated more three- and five-year contracts than the total number signed by all unions in either of the two previous samples.

Although some AFL unions are signing long-term pacts, most AFL unions tend to cling to the short-term contracts. Well over half of the eighty-nine AFL contracts in the sample run for one year or less. The bulk of the eighty CIO contracts run for longer than one year. However, if UAW contracts are eliminated from the sample, over half of the remaining CIO agreements (twenty-five out of forty-six) run for one year or less. (See Table 2.)

THE GM INFLUENCE

A strong factor in the swing to three- and five-year contracts is the GM formula of dealing with wages through an escalator clause plus an annual wage increase. Management representatives have for some time sought long-term contracts that need not be re-

¹More UAW contracts than any other (34) are included in the sample analyzed, because the UAW has made a policy during this emergency period of renegotiating many of its contracts regardless of their termination or reopening provisions.

opened. They want extended periods of stabilized production uninterrupted by negotiations or strikes. The device of making wage changes automatically with changes in the consumers' price index is one method they have used to eliminate reopenings. It keeps wages abreast of changes in the cost of living. But unions object to escalator clauses as being mere "treadmills." They want increases that will "raise the workers' standard of living." Thus, equally, if not more important to the acceptance of long-term contracts is the GM device of granting annual increases. Through them, workers are assured of wage hikes over and above the straight cost of living allowances. By agreeing to include both provisions in labor contracts, management is often able to secure a contract of longer duration than it might otherwise get. The longer the contract, the greater the tendency to include both escalator and annual increases. Thus, while eight out of twenty-three three-year contracts contain both these wage-change provisions, twelve of the fifteen five-year contracts in the sample contain both.

HAROLD STIEGLITZ

PHYLLIS SYETTA

Division of Personnel Administration

SOME PRINCIPLES OF INDUSTRIAL TRAINING¹

The following training principles are stated for the guidance of management personnel:

1. The purpose of training is to help meet company objectives by providing opportunities for employees at all organizational levels to acquire the requisite knowledge, skills, and attitudes.

2. The first step in training is to determine needs and objectives.

3. The objectives and scope of a training plan should be defined before its development is begun in order to provide a basis for common agreement and cooperative action.

4. The techniques and processes of a training program should be related directly to the needs and objectives.

5. Training is properly the responsibility of anyone in management who has a need or an objective to be reached.

6. The function of training personnel is to assist line management in the determination of training needs, and in the development, administration, conduct, and follow-up of training plans.

7. To be effective, training must use the tested principles of learning. (These principles are discussed in psychological texts under such headings as: individual differences, best learning rates, learning by doing, mind set, morale and motivation, the whole person, and group dynamics.)

8. Training should be conducted in the actual job environment to the maximum extent practical.

¹As formulated by the Council on Training of THE CONFERENCE BOARD.

New Problems Face CIO in '51

THE 1950 convention of the CIO was the first held without Communist-dominated unions in attendance. It consequently lacked the floor fights between Communists and anti-Communists and the other drama resulting from the warfare that marked previous CIO conventions. Judged by its old standards, the formal convention proceedings were dull. But what was happening in the corridors indicated subsurface rumblings.

Some convention highlights with significance for the future are:

- Formation of a new left wing within the CIO
- Controversy on the public power issue
- Beginning of new jurisdictional fights in the CIO
- Increase in CIO membership despite the expulsion of eleven unions
- Complete repeal of the Taft-Hartley Act still CIO policy

A NEW LEFT WING

When the CIO ousted the Communists at its 1949 convention, it got rid of its extreme left. The vacuum has now been filled by the Socialists and ex-Socialists within the CIO.

In the vanguard of what might be called the new left wing is Walter Reuther, with a long-time Socialist background. As chairman of the resolutions committee, he is in a position to set the ideological tone of the CIO. This post was formerly occupied by Lee Pressman. As Mr. Pressman testified before a Congressional committee, he used this powerful position as a transmission belt to pass along the programs evolved after consultations with Communist officials. Just as important, he used the post to pigeonhole resolutions to which he was opposed.

FIGHT ON FEDERAL POWER

The only fight on resolutions came up on the federal power issue. The principal spokesman against the federal power resolution was Joseph A. Fisher, president of the CIO Utility Workers. His union has an intense distaste for federal ownership of public utilities. He has contracts with private power companies and he believes that he would not fare as well in bargaining with the government. "There are," he said at the convention, "a lot of Socialists around here and it's time somebody smoked them out." While there was some individual support for Mr. Fisher's

position, his effort to block CIO endorsement of the federal power resolution was voted down.

The resolution calls for:

1. Public generation and transmission of hydroelectric power with preference to be given public or cooperative agencies.
2. Public construction and operation of auxiliary steam plants as may be needed to support public hydropower operations.
3. Public credit to municipal and cooperative agencies for the acquisition of existing facilities where it is considered desirable.

JURISDICTIONAL SQUABBLES ARISE

Jurisdictional squabbles have long plagued the AFL. In the CIO, however, they have in the past been an adjunct of the anti-Communist drive. This year it is different.

In his report to the convention, James Carey, head of the year-old CIO Electrical Workers, requested the return of electrical industry employees who fled the left-wing UE to go to the Auto Workers, Steelworkers and other CIO unions. What Mr. Carey was doing was calling upon Mr. Reuther and other CIO union leaders to carry out a gentlemen's agreement reached a few years ago regarding raiding the left-wing UE. The understanding was that while Mr. Reuther and other CIO union leaders could raid and take UE members for the time being, such former UE members would be turned over to the new CIO union in the electrical industry—if and when such a union were set up. Mr. Carey pointed out that these unions have not as yet turned over such members to his new electrical union.

President Philip Murray gently chided Walter Reuther and said that the Auto Workers would most "gracefully and graciously" return to Mr. Carey's new CIO Electrical Workers Union any members they may have taken away from UE. As for his own Steelworkers, Mr. Murray said they have no interest in raiding any portion of the electrical union's jurisdiction.

A hitch may develop in the transfer of members from Walter Reuther's UAW-CIO to James Carey's IUE-CIO. The Auto Workers claim that the 20,000 workers covered by the CIO Electrical Workers' contract with General Motors are almost wholly automobile workers and rightfully belong to them. Since the GM unit is one of Mr. Carey's strongest groups,

CIO officials doubt that he would be willing to part with them in an exchange of membership with the UAW.

CIO MEMBERSHIP—GAIN OR LOSS?

President Murray stated that the CIO is numerically stronger today than it was in November, 1949, despite the ouster of the eleven Communist unions. He reported that the ouster resulted in a membership loss of 850,000 to 900,000 members. But during 1950, he said, the CIO brought back into the fold approximately 70% of the members of the expelled unions.

At the time of its 1949 convention, the CIO had received per capita taxes for 3,934,239 members for its 1949 fiscal year.¹ Deducting the 850,000 members that Mr. Murray says the CIO lost by the expulsion of the eleven unions gives a figure of slightly more than 3 million members. Adding to this the 70% (or 595,000) of the expellees that Mr. Murray says the CIO regained, a total of slightly more than 3,600,000 members is reached.

Over and above this 3,600,000, however, are whatever membership gains other CIO unions may have made. Also, some CIO unions that may not have paid per capita taxes on their full membership in 1949 may have done so in 1950.

GOOD IN THE TAFT-HARTLEY ACT

Regarding the CIO attitude on the Taft-Hartley Act, Senator Paul Douglas reversed the maxim: Even your best friends won't tell you. Leading off with "I am going to say something which you will probably not like," Senator Douglas proposed that certain features of the Taft-Hartley Act be incorporated into any new labor law. He said a revised Taft-Hartley Act or substitute law should continue to:

- Require unions to bargain with employers, just as employers must bargain with unions.
- Continue the ban on the closed shop, if it is coupled with a closed union. He defined closed unions as those that exclude men "by high initiation fees," in addition to those that refuse outright to take in new members.
- Require unions to submit financial statements to their memberships.
- Provide for periodic and democratic election of union officials.
- Protect the worker "against capricious discharge from the union itself, when such discharge may mean preventing a man from working."

To these suggestions President Philip Murray said, "We have not always been in perfect agreement with Paul Douglas." While that summed up the official CIO attitude, many delegates felt that some con-

¹The CIO does not collect per capita taxes for members out of work or on strike. For a full analysis, see "Union Membership in the United States," *The Management Record*, June, 1950, p. 210.

cessions along the line of Senator Douglas' proposals must be made if the CIO is to succeed in its objective of getting the Taft-Hartley Act off the books.

Later that week, Senator Wayne Morse reiterated Senator Douglas' suggestion that the CIO be ready to accept certain sections of the Taft-Hartley Act. He told them that "to take the position that you will have repeal or nothing means, gentlemen, that you will have nothing." Despite this advice from two friendly legislators, the CIO stands by its 1950 resolution demanding complete repeal of the act.

REACTION TO ELECTION RESULTS

Explanations of why the election went against labor's candidates came thick and fast at the convention.¹ President Philip Murray said he did not believe the election hinged on domestic issues. Rather, he said, the issues for the voters turned out to be the nation's foreign policy, and the charge that "the administration in Washington harbored Communists." This he labeled "McCarthyism."

While this was the consensus, George Baldanzi, executive vice-president of the CIO Textile Workers, disagreed. He said that the CIO permitted itself "to be sucked in to endorse people who were not acceptable to the American people." He said that "a large part of the responsibility for the results of the last election rests upon some of the leaders of the Democratic Party who thought this election was a pushover, and they gave us a lot of political hacks instead of men of great standing in this country to run for office."

While Mr. Baldanzi's reasons for the election defeat differed from what was regarded as the official CIO position, many delegates said it was more realistic insofar as their own city or state was concerned.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

¹For other labor reactions to the election, see "Labor Looks at the Election," p. 457.

Recommendation Blank Offered

Companies which recruit physical science specialists for research work may be interested in "A Recommendation Blank To Aid in the Selection of Scientific and Technical Personnel." It is claimed that the use of this rating procedure gives a more accurate picture of the individual than is afforded by the traditional letter of recommendation or by an ordinary reference form. Full information about this blank is contained in an eighteen-page report available without charge from the Department of the Navy, Office of Naval Research, Washington 25, D. C., Attention Code 456, Dr. Ralph M. Hogan.

BLS' Interim Index

Revision of the consumers' price index should provide more accurate data for post-Korea price studies and for union escalator clauses

BECAUSE of general dissatisfaction concerning the present consumers' price index, the Bureau of Labor Statistics is now conducting a new budget survey which will provide an up-to-date factual basis for the planned revision of this index. Until the final revision is completed (expected in the latter part of 1952), the bureau plans to fill the gap with an interim revision of the index.

Two developments have spurred the bureau to issue this interim revision: One is the upward swing in prices which began slowly early in the year but spurted after the invasion of South Korea. The second is the increasing use in union contracts of an escalator clause tying wage scales to the movement of the consumers' price index. The interim revision will make possible immediately more accurate and realistic comparisons of prices with pre-Korea levels.

The first adjustment will be made in the housing component, to correct what the bureau calls a "new unit bias." This inaccuracy has been accumulating since 1940 as newly constructed dwelling units entered the rental market at higher levels than those whose rents serve as the basis for the present housing index. The extent of this bias has been estimated from a dwelling-unit survey completed early in 1950, and would raise the level of the October all-items index by 1.3 points.

ADJUSTMENTS TO APPEAR IN NEW SERIES

The adjustments will not appear in the old series but will be incorporated in the revised interim series to be published early in 1951, which will cover all of 1950. Both indexes will be published at least through 1951. The new series will start at 166.9, the level of the old index in January, 1950.

The most important difference between the two will be the alignment of weights assigned to the six major components. Because of the way in which the index is constructed, price shifts may distort the importance of index components so that they are out of line with the way in which families actually spend their money. Food prices, for example, have been

Why It's Being Done

In order to compile an accurate index of consumers' prices, it is necessary to know in detail what moderate-income families eat and wear, how they are housed, including their furnishings and fuel costs, what their amusements are, and so on. But a detailed survey of family expenditures covering thousands of urban families in many parts of the country is an expensive project. The last one was made in 1934-1936, when the Bureau of Labor Statistics and the Bureau of Home Economics were able to get help from the federal relief and work projects programs.

For over ten years, therefore, the index has been based on the consumption patterns of the mid-Thirties, when the families interviewed were barely emerging from depression realities and fears. What the changes have been in the way moderate-income families live and spend their money since the last budget review is the core of the new study.

rising more rapidly than those of other components, and now have a greater influence on the index than they deserve on the basis of actual spending habits.

Still another difference will be the inclusion in the new index of expenditures for such items as television sets, frozen foods, and higher automobile outlays. Their importance will be estimated from sales data and expenditure studies completed in the past four years.

The bureau states that the postwar data on consumer expenditures now available, although limited, nevertheless provide more accurate estimates of current expenditure habits than the more extensive 1934-1936 survey now being used. Upon completion of the revision, the bureau expects to release all materials and techniques used. Only then will a careful evaluation of their validity be possible.

FRANK REIS
Statistical Division

Significant Labor Statistics

Item	Unit	1950							Year Ago	Percentage Change	
		Oct.	Sept.	Aug.	July	June	May	April		Latest Month over Previous Month	Latest Month over Year Previous
Consumers' Price Index											
Food.....	Jan. 1939=100	213.5	214.6	213.5	213.5	207.7	204.5	201.0	204.0	-0.5	+4.7
Housing.....	Jan. 1939=100	116.3	116.0	115.9	115.8	115.3	115.4	115.2	113.7	+0.3	+2.3
Clothing.....	Jan. 1939=100	147.5	146.4	143.9	143.2	143.0	142.5	142.5	144.0	+0.8	+2.4
Men's.....	Jan. 1939=100	161.4	159.8	158.0	157.4	157.0	155.6	155.5	156.5	+1.0	+3.1
Women's.....	Jan. 1939=100	135.7	135.0	132.0	131.2	131.1	131.4	131.5	133.3	+0.5	+1.8
Fuels.....	Jan. 1939=100	133.0	132.1	131.4	130.0	129.5	129.7	132.3	128.8	+0.7	+3.3
Electricity.....	Jan. 1939=100	92.9	92.9	92.9	92.8	92.8	92.8	92.6	92.3	0	+0.7
Gas.....	Jan. 1939=100	101.2	101.3	101.3	101.4	102.2	102.2	102.2	101.9	-0.1	-0.7
Housefurnishings.....	Jan. 1939=100	160.4	156.3	153.4	148.9	148.3	148.1	148.1	147.4	+2.6	+8.8
Sundries.....	Jan. 1939=100	158.1	158.0	157.2	156.3	156.1	155.9	155.9	155.2	+0.1	+1.9
All items.....	Jan. 1939=100	166.0	165.9	164.9	164.3	162.2	161.0	160.0	160.4	+0.1	+3.5
Purchasing value of dollar.....	Jan. 1939 dollars	60.2	60.3	60.6	60.9	61.7	62.1	62.5	62.3	-0.2	-3.4
All items (BLS).....	1935-1939=100	....	173.8	173.0	172.5	170.2	168.6	167.3	169.6	+0.5	+2.5
Strikes (BLS)											
Beginning in period.....	number	....	p 525	p 560	425	425	450	400	287	-6.3	+82.9
Workers involved.....	thousands	....	p 275	p 350	225	260	325	160	507	-21.4	-45.8
Total man days idle.....	thousands	....	p 3,500	p 2,900	2,900	2,750	3,000	3,150	6,270	+20.7	-44.2
Turnover rates in manufacturi'g (BLS)											
Separations.....	per 100 employees	....	4.9	4.2	2.9	3.0	3.1	2.8	4.2	+16.7	+16.7
Quits.....	per 100 employees	....	3.4	2.9	1.8	1.7	1.6	1.3	2.1	+17.2	+61.9
Discharges.....	per 100 employees	....	.4	.4	.3	.3	.3	.2	.2	0	+100.0
Layoffs.....	per 100 employees	....	.7	.6	.6	.9	1.1	1.2	1.8	+16.7	-61.1
Accessions.....	per 100 employees	....	5.7	6.6	4.7	4.8	4.4	3.5	4.1	-13.6	+39.0
Wage Earners											
All manufacturing industries (BLS)											
Earnings, hourly.....	average in dollars	p 1.497	1.480	r 1.463	1.462	1.453	1.442	1.434	1.392	+1.1	+7.5
weekly.....	average in dollars	p 61.98	60.68	r 60.28	59.21	58.85	57.54	56.95	55.26	+2.1	+12.2
Hours per production worker.....	average per week	p 41.4	41.0	41.2	40.5	40.5	39.9	39.7	39.7	+1.0	+4.3
Employment.....	1939 average=100	....	158.9	r 156.2	148.3	147.3	144.5	141.6	143.7	+1.7	+10.6
Payrolls.....	1939 average=100	....	403.6	r 393.9	367.5	362.7	348.0	337.2	335.1	+2.5	+20.4
Durable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.572	1.561	r 1.537	1.533	1.522	1.509	1.499	1.458	+0.7	+7.8
weekly.....	average in dollars	p 66.34	65.09	r 64.25	63.01	62.86	61.57	61.01	58.17	+1.9	+14.0
Hours per production worker.....	average per week	p 42.2	41.7	41.8	41.1	41.3	40.8	40.7	39.9	+1.2	+5.8
Employment.....	thousands	p 7,135	7,024	r 6,891	6,597	6,596	6,456	6,195	5,651	+1.6	+26.3
Nondurable goods (BLS)											
Earnings, hourly.....	average in dollars	p 1.402	1.381	r 1.375	1.375	1.365	1.358	1.355	1.325	+1.5	+5.8
weekly.....	average in dollars	p 56.50	55.52	r 55.69	54.73	53.92	52.83	52.17	52.47	+1.8	+7.7
Hours per production worker.....	average per week	p 40.3	40.2	40.5	39.8	39.5	38.9	38.5	39.6	+0.2	+1.8
Employment.....	thousands	p 5,940	5,997	r 5,903	5,554	5,470	5,385	5,402	5,717	-1.0	+3.9
Class I railroads ¹											
Earnings, hourly.....	average in dollars	....	....	1.608	1.622	1.603	1.611	1.619	1.429	-0.9	+12.5
weekly.....	average in dollars	....	....	73.82	68.73	71.47	74.44	68.45	71.63	+7.4	+8.1
"Real" weekly earnings ²	Jan. 1939=100	....	....	131.2	122.6	129.2	135.5	125.4	130.0	+7.0	+0.9
Hours per wage earner.....	average per week	....	....	45.9	42.4	44.6	46.2	42.3	50.1	+8.3	-8.4
Agricultural wage rates (BAE) ³											
With board and room, per month.....	average in dollars	102.00	....	....	98.00	....	....	92.00	99.00	+4.1	+3.0
With house, per month.....	average in dollars	123.00	....	....	126.00	....	....	113.00	120.00	-2.4	+2.5
Composite rate per hour.....	average in dollars	.59	....	....	.56	....	....	.47	.57	+5.4	+3.5

Source: THE CONFERENCE BOARD, unless otherwise indicated

¹Derived from Interstate Commerce Commission reports.

²Series revised; formerly on a 1923 base.

³Changes in Agricultural Wage Rates are quarterly.

ⁿPreliminary.

^rRevised.

ECONOMICS FOR EMPLOYEES

One Company's Program

The following is the first in a series of articles to show what individual companies are doing to improve economic understanding among employees. This, and the articles to follow, are abridged from talks made at the Round Table Conference on "Company Programs on Economic Education for Employees"—the 315th Regular Meeting of The Conference Board, held on Wednesday morning, September 20, 1950, New York, New York.

The following is from the talk given by W. L. Lees, vice-president, The Bell Telephone Company of Pennsylvania.

WE [of Bell Telephone of Pennsylvania] are convinced that our employees are not Communists. We are convinced that our employees are not Socialists. We are convinced that our employees believe in the great free enterprise system as such. They may have some hazy ideas about it, but we don't think we have to sell them against the communistic system. We don't think we have to sell them against the socialistic system. So we are beaming our educational material at the moment to answer the question: What do I, the employee, get from working for The Bell Telephone Company of Pennsylvania?

We have found that employees are interested in their own jobs, their own livelihood, their own personal opportunities to live comfortably and to satisfy their own ambitions. We know that the employees of any concern are interested in finding certain things in the jobs that they do. These comprise steady work, security, high wages, good bosses and all the other things that employees look for. Thus, on the subject of steady work, we are trying to show what our experience has been in the past and what we think it is going to be in the future.

On wages, we are trying to convince employees of the fairness of our wage program, just what our benefit program means to individual employees, that the employee really has the largest stake in seeing to it that our company is successful, that the successful company must keep a balance between the customer, the public, the employee and owner.

The trouble with so much material on the free enterprise system has been that we were continually defending it against this and that. We believe we have accomplished something by taking a positive stand. For instance, employees are interested in increasing their standard of living. So are we. So is our company. Now let's see how we go about it.

TELLING ABOUT THE COMPANY

As far back as 1928, our company sensed the need and the desire of our people to know something more about the company for which they work, and we started out with a series of off-hour meetings. The vice-president and general manager in the area went out to each district and held a meeting for the district people and their families. At the present time it takes about forty minutes to tell them the state of the company and their stake in the business. Even though we provide a 24-hour day service, 22,000 of our employees and 6,800 of their families participated in those meetings last year.

For years we have provided our supervision with materials with which they can cover the highlights of the annual report with all their people. Our employee magazine, *The Telephone News*, has carried any number of articles on economics and, incidentally, we send the magazine to the employees' homes for greater readership.

We have several discussion courses of various kinds. One, in which we discuss the policies and the organization of the company, was originated in 1942. We cover such policies as wages, working conditions, and benefits. Another is a one-day course given to newly employed girls in our business office. It is designed to give the girl some idea of how a business operates and particularly how a telephone business operates. In that course, we use a model village in which the girls set up and operate a telephone business.

Refresher Course

There is another one-day course which is given to employees when they have been with us five years. It is a follow-up on the organization and policy course. It covers such things as simple business economics,

the pension plan, working conditions, and opportunity for advancement.

How did we come up with a course like this? Well, in this particular case we went out to our organization and policy classes; we talked to the leaders of those groups; we sat in the classes and listened to the questions that were raised. We had the leaders send in questions that were raised. We talked to our field people, and the result of it was that we came up with this course covering subjects the employees said they wanted to know more about.

We have several discussions for management people; one is a three-day general policy and labor relations course given to newly appointed management personnel; another is conducted by Dr. C. W. Hasek, who was formerly the head of the economics department of Pennsylvania State College. This course was designed

for supervisory people who have not had an economics course in their previous training. It has been enlarged to include anybody who wishes to attend.

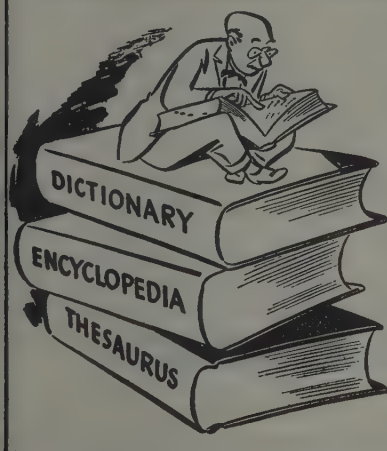
In 1947 we invited the presidents of our union locals to attend and ten of them did so. After they sat through all but the last meeting, they came in to the final session and said, "Well, we haven't had the propaganda so far. We will probably get it all today." They didn't get it that day or any other day and they were highly pleased. One hundred of our union officers have now attended Dr. Hasek's course.

I should mention here that we have a course in human relations in management. It has some bearing on every phase of our business. We have given this course to 67% of our supervisory force during the last three years. By September of next year all our supervisory force will have completed it.

**Three of a series of economics-made-easy pamphlets written for employees.
Excerpts from the contents are given below**

**PROFIT
IS NO PUZZLE**

NO. 9 OF A SERIES



Viewed from the under side, the finest tapestry will look horrible with its rough edge, loose ends and lack of design. Profit is like that. The man who isn't getting any might call profit a parasite which fattens itself at his expense. A man who makes a profit on the sale of a house or car might call it manna from the economic skies.

Profit is actually what is left after a business pays all its bills except the one to the investor whose money made it possible for the business to exist. Profit is simply payment for the use of tools.

Every thinking employee realizes that his welfare and the welfare of his company are dependent on whether the company makes a fair profit.

**DAFFODILS
AND DIVIDENDS**

NO. 11 OF A SERIES



Gardens grow because somebody works in them, weeding and watering them, and because somebody invests money in seeds and tools. The more you invest in seeds and tools, the more flowers reward your efforts.

Dividends are something like that. The more you put into a business, the more you should get back. The greater risk deserves the greater reward. People who invest in companies deserve the dividends they collect.

People who work for a company are concerned about whether the company pays a profit. They know the company's welfare and their own welfare depend a great deal on whether or not dividends are paid to the stockholders.

**THE FIRST
FRIED EGG**

NO. 22 OF A SERIES



The fellow who first fried an egg, the wizard who worked up the first wheel formed the advance guard which has brought us to our present high standard of living.

With foresight, imagination, individual initiative and industry, men have increased the effectiveness of human energy by evolving tools to harness the forces of nature as substitutes for muscular effort.

The more tools man designed, the easier and more enjoyable life became. But, without tools, there would have been no such progress nor high living standards.

In all the places on earth where man has made his home, progress has been greatest and life best here in America.

In order to channel information from the bottom to the top, we have been conducting listening interviews for the last three years. We all like to talk, and while we had conducted interviews for years, our supervision did most of the talking. For three years we have been trying to train them to listen. We are having some success.

Economics Pamphlets

In addition to *Bulletins for Management*, we have been issuing a series of economics pamphlets for all employees. [See cuts.] In these, we have tried to give a course in economics, if you will, on a pill-by-pill basis, instead of the usually large dose. We have tried to make the booklets attractive with cartoons, so that when the next one comes out the employees will want to look inside. We sent out a return card in which we asked two questions: Have you enjoyed reading them? Do you want more of them? We got 6,800 replies, which we thought was quite a good figure. Seventy-one and a half per cent said they had enjoyed reading them and 61½% said they wanted more of them, so we think it has gone over fairly well.

Then we have what we call our Policy Discussion Program which consists of a series of meetings held once a month by the district man with his entire supervisory organization. One of our policies or practices is thoroughly discussed so that our front-line supervision will know the whereas and wherefore behind each of our policies, and they, in turn, carry this information to their people.

This is the program of economic education that we are conducting in our company.

Results

As a result of these courses, we have proved to ourselves by before-and-after questionnaires that we can teach our people something. We can improve attitudes.

Whether our program has paid off in dollars and cents I cannot prove, but on performance and attitude our people are thoroughly sold on what we have been doing. And, in spite of wars and rumors of wars, we propose to continue to carry out this economic program, beaming our material toward answering the question: What do I get out of working for The Bell Telephone Company?

Mr. Powell will show you how we use our model village in connection with one of our courses.

EXPLAINING BELL'S BUSINESS

W. F. POWELL: This village is used in connection with a course that we have for young girls in the commercial department of The Bell Telephone Company of Pennsylvania and which has been further extended throughout the Bell System.

Our business is different in some respects than yours in that we have a large number of young women working in the business, both as operators and as our business representatives in the business offices.

We employ thousands of young girls who are just out of high school, ranging between the ages of eighteen and twenty-two. And if any of you have daughters of that age you know that their concept of business is practically nothing when they come from high school. We have the problem of presenting this course to them so that they have an understanding of the business which is their livelihood.

This course is given about six months after the girls come in the business. It is a one-day affair, divided into two parts.

General Subjects

The first part of the course is a discussion of general economics and how general economics fits into the Bell System. We develop an understanding of where the customer fits in the business and why he is a very important person.

We develop an understanding of where the employee fits into the business, and we point out that he is a very important person. And we also point out where the owner fits into the business and how important he is.

We have found in the past that one of the greatest things that people overlook is the value of that owner. They forget that if the owner didn't put up the cash there wouldn't be a job and then we point out where management fits into the business, tying these other three elements together to see that all get a fair share.

And then we discuss the economics of prices, of wages, and of finances in a very simple, fundamental way, going into the value of money, how prices are controlled, the old economic theory of supply and demand. That is the first half of the course. It is purely a discussion, a long discussion to give them an understanding of all these different things.

Jonesville

Following that, we have the second part which is the use of this model city which we call Jonesville. We have had great success with this particular course with those young girls. We know we have had success from the comments we have received. We know that we have had success from their later actions.

In the commercial department of The Bell Telephone Company of Pennsylvania, we have never had a strike of our commercial girls. We have had a couple of other strikes over the past few years, but the girls have never gone on strike and they have always gone through picket lines. We think to some extent we have made a clear understanding of our position to them.

Now, how do we do it? We start off by having this model city set up, explaining to them that here is a town without any telephone service, a very fertile field for some business to start up in. We say that our business started something like this. And then by use of these thousand dollar bills, which aren't real by the way, we give several of the employees a couple of thousand dollars apiece.

We say that this is money which you have saved, which you have put in the bank. Then we ask the girls to forget that they are Bell employees and imagine that they are potential investors. Then they develop this thing.

If you are going to start a telephone business, what do you have to take into consideration? Well, we have to have customers. These people must want telephone service. We develop that.

Then we develop the fact that in order to have customers we must have some money to get a telephone plant started. Well, how are you going to go about getting the money? The girls decide they certainly can't start with \$4,000 and buy all the telephone poles and get a building and hire employees, so they figure that the next thing they need is more money. We consider means to get this money. And they get into a discussion of bonds and stocks.

You would be surprised at the number of young girls who have no conception of what a bond is or what a stock certificate is, but after we have gone into this course they have an understanding of how the money has to be gotten in order to build the telephone plant.

How They Get the Money

So they float a bond issue. They float a stock issue, all based on what we think is a proper financial structure. In our particular business there is a higher ratio of stocks than of bonds. Roughly, we think two thirds stock capitalization and one third bond capitalization. Through our assistance, but with them actually doing it, they float this stock and bond issue with the use of actual stock and bond certificates and with an understanding of what these stocks and bonds are. Thus, they accumulate the additional money needed.

At this point they elect a president, treasurer, and the regular officers of the business. There are about fifteen in each of these groups. All those not elected as officers become members of the board of directors. They estimate their revenues by figuring out how many telephones they can sell in this town, what the rates will have to be. We point out how the rates should be adjusted so they can get customers. Then they figure their revenues and what the expenses are going to be, and eventually get into all the operations of the business.

A year supposedly passes during the session and at

the end of the year we again pass out more money which is the revenue we have collected. We give that to the treasurer. At this point, the treasurer is presented with the bills that normally constitute the operation of a telephone business and, of course, we have the opportunity here to discuss the various bills.

We present them with a bill for depreciation. There is a great misunderstanding as to what depreciation is. After we present them with a bill for depreciation they see they have got to pay the bill and put the money aside. Then they go into other expenses such as heat and light. We go into the expense of the bond interest and what would happen if we didn't pay the bond interest.

We give them the bill for Social Security and taxes and we give them a bill for the benefits, at which time we go into a discussion of the benefit plan because they are all young employees.

Complete Operation

After these bills, they have some money left from their revenue. As a board of directors, they decide how much money they are going to pay in dividends, and we go into a discussion of what a dividend is.

In each phase of the meeting there is a discussion as to what each item is. When we get into dividends we let the board of directors figure how much the dividend should be, why they should pay a dividend, and all of the ramifications involved in the dividend policy of any company. Finally we come up with surplus and a discussion of what surplus is and why money should be put aside for rainy days.

Thus, they have experienced a complete operation of the business and we feel they have an understanding of just what our problem is—on a much smaller scale. They have operated, of course, in this little town of Jonesville. They have built up a telephone company. They have gone through a year's operation. They know the facts that we face on a much larger scale all during the year.

The entire session is on a discussion basis. They have the problems. The discussions they get into on stocks and bonds, dividends and surplus, and the financial aspects most particularly are amazing. This particular course is only one of the many we find has been very successful with the commercial women.

Management Book Shelf

Who's the Better Leader—The Foreman or Union Steward?—The author gave tests to sixty-four union stewards, 256 foremen and 135 executives on word meaning, logical relations, arithmetic, and logical analysis. According to the test results, union stewards rank up with company executives in all four tests, while foremen rank below. By Harold F. Rothe, *Factory Management and Maintenance*, August, 1950, p. 240-250.

MERIT RATING REVIEW

Do employees want to talk over their ratings with the supervisor? Would it help to hear what they have to say? One company gives its answers.

TWO companies in five operate merit rating programs, and a majority of the programs in operation provide for an employee-supervisor interview following the rating. The interview may be held for various purposes but the most important purpose is to give the employee an idea of how he is "doing."

Though a company may believe in the importance of rating its employees, it may hesitate to take the final step of the individual interview. Admittedly there are dangers. The interview is a highly personalized meeting. The individual's work record is discussed, and his attitude toward his job and his cooperativeness probably will be discussed, too. It is easy for the employee to feel that the real purpose of the interview is to point out his mistakes and shortcomings. Unless the supervisor is a skilled interviewer, the meeting with the employee may degenerate into an argument.

DOES THE EMPLOYEE CARE?

A final reason why some companies reject the interview runs something like this: "The average employee is interested in his pay check. Period. He doesn't care about sitting down with his supervisor to discuss his job."

The Northwestern Mutual Life Insurance Company recently checked its experience with merit ratings and follow-up interviews for a full calendar year. The company concluded that this study showed unmistakably that employees *do* wish to know how they are doing, that, in fact, they welcome opportunities to discuss job matters with their supervisors.

The following paragraph appears in the agreement between the company and Local 35 of the Associated Unions of America:

"Article V: Annual Interview with Supervisor"

The company and the union agree that every employee is entitled to full information as to the company's evaluation of his performance, including his rating. To this end, each employee, in the anniversary month of his employment, shall have an opportunity for an annual interview with his supervisor."

Approximately one thousand clerical employees in Northwestern Mutual's home office in Milwaukee,

Wisconsin, are covered by this agreement. The company wanted to know if the "opportunity for an interview with his supervisor" really meant something to the individual employee.

During the period covered by the survey, a total of 828 employees had been with the company throughout the year and had been rated by their supervisors. Each of the 828 employees was asked by his supervisor if he wished an interview for the purpose of discussing his rating, his work record, and his progress in the organization. Thirty-eight declined the invitation, 790 accepted! If 828 adults were selected at random and offered free tickets to a movie, it is doubted that the acceptance rate would approach 95%.

A look at the thirty-eight refusals reveals that a large majority were long-service employees. Twenty-eight employees, who had been with Northwestern Mutual for periods of nineteen to forty-four years, declined interviews on the basis that there was nothing new for them to discuss with their supervisors. Six additional employees said they were in such close daily touch with their supervisors that an interview was not needed; two employees were on vacation; one had just been transferred to a new unit; and one avoided the interview because he was engaged in a grievance procedure at the time.

CRITICAL COMMENTS VOICED

Of course, not all of the 790 interviews which did take place were characterized by peace and harmony. In fact, 173 were characterized by a certain amount of critical comment. There were sixty-five instances where the supervisor spoke of the employee's shortcomings—his frequent absences, his inability to work effectively with others, and so on. In 108 interviews the employee told the supervisor that he (the employee) was underpaid, that he wasn't being promoted fast enough, or that his work lacked a desirable amount of variety.

The gripes and the criticisms, while present here as they would be in any company, did not predominate. Of the 790 interviews, 372 were rated "favorable" by the company and 245 were classified as "informational." Some major categories under these two headings are shown in the following tabulation. They will

help explain what the company meant by favorable and informational interviews.

<i>Favorable Interviews</i>	<i>Number</i>
Well pleased and satisfied with duties, surroundings, and company	234
Employee commended highly on attitude and performance	56
Great mutual satisfaction	49

<i>Informational Interviews</i>	<i>Number</i>
Discussed the job, its duties, requirements, and any new duties	83
Discussed rating and the rating systems.....	34
Discussed company policies	30
Discussed promotional policies and ways for advancement	28

In all, 47% of the 790 interviews were described by the supervisors as favorable, 31% as informational, and 22% as unfavorable. While some of the favorable and informational interviews may not have come to grips with real problems, it is equally true that some of the unfavorable interviews may have resulted in changes for the better in company matters or in the individual's job performance.

With regard to so-called unfavorable interviews, it is easy to overlook the fact that the interviews themselves did not *create* the unfavorable situations. They merely came to light during the interview. The employee, for example, may not have known that his boss thought he was uncooperative, or that he was careless or operating below standard efficiency. The employee may be upset by such knowledge but at least he has the chance to work toward improvement. Similarly, the company may not have known that the employee had his eye on a better job, or that he had any one of a dozen or so miscellaneous gripes until they came out during the interview. The company, too, may be upset by such knowledge but at least it has the chance to correct a bad situation or explain why no action can be taken.

Northwestern Mutual believes that the average employee can "take" criticism if it is given on a constructive basis and, furthermore, that he can benefit by such criticism. The company also has benefited by employee criticisms, and been able to improve its procedures.

STEPHEN HABBE

Division of Personnel Administration

Labor Press Highlights

LABOR LOOKS AT THE ELECTION

THE labor press reaction to the November elections, in general, was: It could have been worse. As described by *The Cincinnati Sun* (CIO), "The 1950 election results weren't much to cheer about—but they weren't a catastrophe either." Labor found partial solace in these results:

- Labor-backed candidates "batted around .500," claims *The CIO News*. The AFL, in the *AFL Weekly News Service* was more specific: "Eleven of twenty-five labor-backed candidates won Senate seats and 121 of 262 labor-backed nominees captured House positions."

- Because of labor efforts, Republican off-year election gains in Congress were the smallest since 1934, according to both the CIO and AFL. Average Republican gains in off-presidential election years 1942, 1944 and 1946 were ten Senate seats and sixty-one House seats, reports the *AFL Weekly News Service*. The maximum gain expected this year, says the AFL, is five Senate seats and thirty-one seats in the House.¹

¹The final gain in the House for Republicans was twenty-seven seats.

- Although the re-election of Senator Taft was regarded by the AFL as "the worst blow to labor," the *AFL News Service* adds that this was partially offset by the defeat of Senator Forrest Donnell of Missouri.

- Senator James E. Murray (D., Montana) will replace defeated Senator Elbert D. Thomas as the new chairman of the Senate Labor and Public Welfare Committee, according to the *League Reporter* (AFL Labor's League for Political Education). The labor paper describes Mr. Murray as "one of the finest friends the working men and women have in the Senate."

Concerning prospective actions of the 82nd Congress, the AFL says: "Reactionaries will try to make the Taft-Hartley Act even worse." National health insurance, aid to education, and civil rights laws don't stand a chance, according to the AFL. Instead there will probably be attempts "to smash the Social Security law, undermine the Wage-Hour Act, and gut the Labor Department." *The Oil Worker* (Oil Workers International Union, CIO) summarizes labor's

outlook in this headline: "Nothing Will Come Easy During The Next Two Years."

Beck Speaks of Sanctity of Contracts

"We must respect contracts," Vice-President Dave Beck of the AFL Teamsters told the Western Conference of Teamsters last month, reports *The Teamster*. The Teamsters will refuse to recognize picket lines that are established in violation of existing contracts, according to Mr. Beck. This point was stressed in his talk on Teamster organizing plans in which he also stated that now is a marvelous opportunity to extend organization.

Greater Unemployment Benefits Sought

Liberalized state unemployment compensation laws will be a major objective next year, according to a *CIO News* report. Labor will campaign before forty-four state legislatures for increased weekly benefits, a lengthened compensation period, allowances for dependents, and broadened coverage.

Revive Labor-Management Committees: Carey

To make full use of "workers' experience, advice, and real cooperation," labor-management committees should be set up similar to those of World War II, according to James B. Carey, CIO secretary-treasurer. As reported in *The Beacon* (Stone and Allied Products Workers, CIO), Mr. Carey stated that unions are willing to cooperate with any company trying to meet the nation's needs. Labor's objectives during the emergency period, according to Mr. Carey, are to supply needed production, to maintain a strong economy, to keep morale high, and to win the confidence of the workers of other countries.

AFL Office Union Wins Atomic Unit

Another atomic energy unit has been won by the AFL's Office Employees' International Union, reports the *AFL Weekly News Service*. The union now represents clerical employees at the Sandia Atomic Energy Base at Albuquerque, New Mexico, as well as those at the Hanford, Washington, Atomic Energy Project. The OEIU is now starting activity among employees of the Los Alamos Atomic Energy Project.

"Left" Unions Federate

Locals of eight CIO-expelled unions with members in the Chicago area have established a Labor-Unity Council, reports the *Weekly Dispatch* (AFL, Texas). The group claims to represent 70,000 Chicago area workers. The *Dispatch* views the new council as a possible forerunner of a third major labor federation. Member unions include the United Electrical Workers, Farm Equipment Workers, which is part of the UE, the Fur and Leather Workers, the Mine, Mill and Smelter Workers, the Food and Tobacco Workers, the Office and Professional Workers, and the Public Workers Union.

The Chicago unit of Harry Bridges' Longshoremen's

union is also affiliated with the unity council. However, the International Longshoremen's Union claims that it will make no move to affiliate with other unions until at least the 1951 convention. At that time, reports *The Dispatcher* (Longshoremen's Union, ind.) "all offers of affiliation will be reported before the convention for acceptance or rejection."

IUE-CIO Readies Formal Organization

The one-year-old IUE-CIO, until now organized under an administrative committee headed by James B. Carey, is preparing to adopt a formal structure. According to *The IUE-CIO News*, recommendations to the union's convention call for a president, secretary-treasurer and ten vice-presidents. Recommended salary for the president is \$10,000 a year; for the secretary-treasurer, \$7,500. Conventions are to be held annually, but the president and secretary-treasurer will be elected semiannually, if present recommendations go through. The administrative committee hopes that the convention will vote to raise per capita payments to the international office to 75 cents per month.

TWUA Claims Increases of \$57.5 Million

Annual pay increases recently won for 235,000 textile workers total \$57.5 million, according to *Textile Labor* (TWUA-CIO). When negotiations of all contracts are complete, TWUA expects gains to reach a total of \$80 million a year. Largest increases have been secured in negotiations with cotton and rayon mills—\$20 million for 72,000 workers, according to the TWUA. The union's 56,000 wool and worsted workers are next with a total gain of \$13 million.

\$1,000 Annually for Student Contest

To the university student writing the best thesis on ways to improve the railroad industry, the Brotherhood of Railroad Trainmen, ind., will award a prize of \$1,000, reports the *Trainmen News*. The award will be made annually, based on the judgment of a railroad industry representative, a rail labor representative, and a professor in the field of transportation.

Mergers—Union Style

The Pocketbook Workers Union, a New York independent, merged with the Industrial Handbag, Luggage, Belt & Novelty Workers Union, AFL (35,000 members) and the new union will soon elect officers. The Pocketbook Workers left the AFL eleven years ago, reports the *Union Labor Record* (AFL, Missouri).

Another merger in the making is that of the United Slate and Tile Workers Union, AFL, with the Sheet Metal Workers Union, as reported in *The Labor Forum* (AFL, Indiana). The Sheet Metal Workers convention voted to seek amalgamation early in 1951. The Slate and Tile Workers have approximately 13,400 members; the Sheet Metal union membership is placed at 50,000.

HAROLD STIEGLITZ
Division of Personnel Administration

THE CONFERENCE BOARD

Saturday Holidays: To Pay or Not To Pay

TO PAY or not to pay for Saturday holidays is again an important and expensive bargaining issue because of the long-term, GM-type contracts now being signed. During the term of GM's five-year contract, six holidays fall on Saturday.

Experienced management and union officials remember the winter of 1948-1949 when they bargained on holidays. For during that winter, three holidays fell on Saturday. They were Christmas of 1948, and New Year's Day and Lincoln's Birthday of 1949. This led to disputes between management and union officials over an additional day's pay for these three Saturday holidays, where the employee worked a regular Monday to Friday work week.

The employers claimed that the purpose of holiday pay is to prevent workers from suffering a loss in weekly pay during the holiday week. They claimed it was never meant to be a bonus. They cited, for example, a worker with a Monday to Friday schedule who received \$10 a day or \$50 a week. If he were to

receive unworked holiday pay for the Saturday holiday, he would get \$60 per week, something the employers claimed was never contemplated when the holiday clause was written.

Union officials, on the other hand, claimed that the specific number of paid holidays per year was a bargained cost item the employer committed himself to pay; that it made no difference on what day the holiday fell.

Some of these Saturday holiday disputes went to arbitration. Where the contract provides that specific holidays are to be paid for and no exceptions are made, the arbitrators generally directed that the employer pay for an additional day in these weeks. This occurred, for example, in the Graphic Arts Employing Machinists case.¹ The arbitrator directed the employer to pay for "Christmas, 1948, and New Year's Day and Lincoln's Birthday, 1949, even though those holidays fell on Saturdays." The union contract, in this case, provided that the eleven specified holidays are "recognized as holidays with pay." The arbitrator ruled that "holiday pay here constitutes an integral part of the agreed compensation to employees." His reasons were that during negotiations "holiday pay was accepted by the employees in lieu of an additional increase in the hourly wage rate . . . and the same contract provision has been interpreted in other arbitration cases involving this union as requiring pay for holidays falling on Saturdays."

In many cases² the arbitrator's award of an additional day's pay for the Saturday holidays amounted to an unexpected windfall of a 20% bonus to the work-

Saturday Holiday Calendar

When the subject of Saturday holidays is brought up at the bargaining table, there is generally a last-minute scurry for calendars. Most of the time, the negotiators can't lay their hands on calendars that cover periods several years in advance. This often happens when negotiators sign two, three or five year agreements, as they have been doing since the GM contract was signed. To meet this need, here are the principal Saturday holidays for the next five years:

1951

None

1952

None

1953

Decoration Day, May 30

Independence Day, July 4

1954

Christmas, December 25

1955

New Year's Day, January 1

Lincoln's Birthday, February 12

¹Graphic Arts Employing Machinists Association and International Association of Machinists, 12 LA 1019. Among other cases in which arbitrators directed the employer to pay for Saturday holidays are: Safeway Stores, Inc. and International Brotherhood of Teamsters, AFL, 7 LA 598; Standard Brands, Inc. and Amalgamated Meat Cutters and Butcher Workmen, AFL, 9 LA 3; Philadelphia Leather Goods Corp. and Luggage Workers' Union of Philadelphia and Vicinity, 2 ALAA 67,686.1; Paper Box Advisory Board on Labor Relations et al. and International Brotherhood of Pulp, Sulphite and Paper Mill Workers, AFL, 2 ALAA 67,637.1.

²Arbitrators generally rule that the employer does not have to pay for Saturday holidays if the contract specifies that holidays must be scheduled working days in order to receive payment. The arbitrators ruled, in the following cases, that the employer did not have to pay for Saturday holidays: M. E. Stern & Co. Inc. and United Optical Workers Union, CIO, 3 ALAA 68,120.1; Heil Co. and UAW-CIO, 3 ALAA 68,178.1; Standard Grocery Co. and International Brotherhood of Teamsters, AFL, 2 ALAA 67,757.1; Minnesota Mining & Mfg. Co. and International Brotherhood of Teamsters, AFL, 12 LA 165; International Harvester Co. and United Electrical, Radio and Machine Workers, 13 LA 983; M. Augenblick & Bros. and International Brotherhood of Teamsters, 12 LA 417.

ers. To prevent being required to pay a windfall Saturday holiday bonus, some employers now bargain for a holiday clause stating that only holidays that fall on a "scheduled work day" are to be paid. Arbitrators generally uphold this type of clause. Other employers go further and spell out the Saturday exclusion as follows:

"The company shall pay eight hours' wages at straight time for the following holidays, providing the holidays do not fall on Saturday." (*An eastern company and the International Chemical Workers Union, AFL.*)

UNION SECURES NEW HOLIDAY CLAUSE

On the other hand, because of their 1948-1949 experience, some union leaders are now demanding clauses that state clearly that holidays will be paid for regardless of the day of the week on which they fall. One union, for example, had a clause in its 1948-1949 contract that said: "Since there is no loss of pay to employees when any holiday falls on a Saturday, there will be no pay for Saturday holidays." Because the union lost out on Saturday holiday pay during 1948-1949 when other unions were getting it, it got this clause in its new 1950 contract:

"All of the employees who are termed as regular employees pursuant to Article I of this agreement shall receive the following holidays off with compensation for eight hours at their regular rate of pay, regardless of the day of the week upon which the holiday may fall."

Another variation of Saturday holiday clause that unions are now demanding is this Friday-off clause.

"When a holiday falls on a Saturday, which is the first day of rest, that holiday shall, dependent upon the employer's decision with respect to its production schedule, either be celebrated on the Friday immediately preceding, or shall be paid, though not worked, at straight time for a number of hours up to a total of eight, equal to that which an employee normally works on a regularly scheduled work day. When a holiday falls on a Saturday which is a regularly scheduled day of work in any employee's work week such holiday shall be celebrated on that day." (*An east coast company and the United Gas, Coke & Chemical Workers, CIO.*)

Because of their round-the-clock shift experience during the war, some agreements make two sets of provisions: one for those who are scheduled to work on that day, and the other for those that are not. This type of clause follows:

"When a holiday falls on a Saturday, or any other day which is the first day of rest, such holiday shall not be paid for unless that day is worked, in which case double time shall be paid for all time worked in addition to the employee's regular holiday pay. When a holiday falls on a Saturday which is a regularly scheduled day of work in any employee's work week, such holiday shall be celebrated on that day."

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Trends in

LABOR RELATIONS

UAW-CIO Asks New Military Service Clause

The CIO Automobile Workers notified all its local unions of its new policies designed to protect members who are now in or who may be called into military service. The local unions were asked to take steps to insert clauses covering these seven points in their union contracts:

- Reemployment rights for returning servicemen, regardless of type of discharge issued them by military services.
- Reemployment rights for probationary employees.
- Returning servicemen to be guaranteed promotional opportunities granted during their absence in the armed services.
- Vacation pay for year of entrance and year of return from service.

- Pension credits for time spent in military service.
- Continuation of life, hospitalization and surgical insurance benefits during members' military service.
- Establishment of labor-management military deferment committee.

Special Time for Strikes

With the trend to long-term agreements,¹ the question of wage reopenings during the contract's life naturally arises. Labor officials invariably want the right to strike during any wage reopening. Management negotiators, on the other hand, say: "If we give you the right to strike for wage reopening, we really haven't got a long-term contract guaranteeing us labor peace. All you need to do," management officials continue, "is to serve us with a wage reopening

¹See page 445.

notice and you can strike us any time—one, two or even six months later. That's not labor peace."

A compromise solution to this problem recently was worked out by a southern employer in his recent 1½-year contract with the International Association of Machinists. His contract permits the union to reopen wages during September, 1951, and May, 1952. The union can strike during either of those two months to support its wage reopening demands. But if the union does not strike, then the no-strike provision gain goes into effect. His clause reads:

"Satisfactory arrangements having been provided herein, whereby any and all disputes may be amicably settled by following the grievance procedure or by arbitration, it is agreed that there will be no strikes by the union for any reason, and no lockouts by the company for any reason, while this agreement is in effect, except that if a notice is served under the provisions of Article 27 (wage reopening provision), then this section (c) will be inoperative from September 1, 1951, until midnight of September 30, 1951, and from May 1, 1952, until midnight of May 31, 1952. In the event a strike or lockout does not take place during the month of September, 1951, or May, 1952, then, and in such case, neither party shall have the right to engage in any strike or lockout during the remainder of the term of this agreement."

Tying Wages to Competitors' Rates

A worry of employers signing long-term agreements is that their wages will get out of line with those of their competitors. A western aircraft manufacturer handles this matter by having his five-year contract with the Machinists permit wage reopening once a year if a majority of his competitors up wages at least 5 cents an hour. His contract reads:

"These wage rates shall remain in effect until September 20, 1955, or for the term of the agreement, except that the subject of wage rates may be reopened for further negotiations on May 15, 1951, or at any time by the mutual consent of both the company and the union, or by either party to the agreement only on May 15 of each year for the duration of this agreement, provided there has been at least a 5 cents per hour general increase granted by the majority of the eleven major aircraft manufacturers during the preceding one-year period, or in the event that approximately 50% of the company business is devoted to commercial production."

Wage Reopening for War with Russia

The unsettled condition of the world today is reflected in union contracts. War with Russia, for example, will permit a wage reopening under a southern firm's contract with the CIO Furniture Workers. The clause reads:

"Effective with the payroll period commencing September 11, 1950, the present wage rates for each exist-

ing job classification shall be increased by 10 cents per hour. If at any time prior to September 8, 1951, the Congress of the United States of America shall have formally declared a state of war to exist between the Union of Soviet Socialist Republics and the United States of America, then either party to the contract may reopen the contract on September 8, 1951, for the limited purpose of negotiating a wage increase or decrease."

It Pays To Be Married

It pays to be married under an eastern company's contract with an independent union. Married men with one or more dependents get an additional six months' seniority under the following clause:

"In case of a reduction of force only, in addition to the factors listed above, an additional six months' seniority will be credited to employees who are married and have one or more dependent children, and who have completed their probationary period but who have less than five years' seniority. Such additional seniority may not be used during layoffs to displace from their jobs employees having five years or more of seniority."

Wildcatters Fined \$2 a Day

Special protection against wildcat strikes is provided by a midwestern company's contract with the National Brotherhood of Operative Potters, AFL. Wildcat strikers are fined \$2 a person per day, the money to go to the local county hospital. The clause also prohibits the presiding officer at local union meetings from entertaining a motion to strike in violation of the contract.

The clause reads as follows:

"No presiding officer at any meeting of local union — shall entertain a motion for a strike vote where such strike would be in violation of any of the terms of this contract. In order to insure uninterrupted production and the proper handling of all grievances in connection with working conditions and wages, any group of employees who stop work without first following the proper procedure as set forth in this contract will be considered as performing an act in direct violation of this contract and as such will be fined the sum of \$2 per person per day or fraction thereof for as many days as the condition continues. The company agrees to promptly investigate and correct as soon as possible any allegedly improper working conditions brought to its attention by the union grievance committee. The regular grievance procedure as outlined in Section III of the contract shall apply to the administration of the \$2 fine mentioned above. Any money so collected will be contributed to the — County Hospital until the proposed — Company community chest is established.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

More Hours, More Pay, More Workers

OVERTIME pay had something to do with it. But wage adjustments were even more influential in raising the October level of hourly earnings to a new peak. In all, the average gain over September amounted to 1.7 cents in manufacturing as a whole, with production workers' hourly returns climbing to a point just fractionally short of \$1.50.

Weekly earnings, stretched by this hourly gain and a longer work week, also moved to a record high in October. But some of the weight was taken out of these gross earnings—once the new tax deductions were made and the sharp rise in consumers' prices was measured.

October was a significant month as far as consumers' prices were concerned. For many, it meant a decrease in the purchasing power of their earnings. But for about one million workers it signified an automatic wage increase, as stipulated by an escalator clause in their union contracts. Because of overlapping survey intervals, October wage statistics do not reflect these widespread cost of living adjustments. They do, however, reflect a high incidence of contracted wage increases, effective during this period.

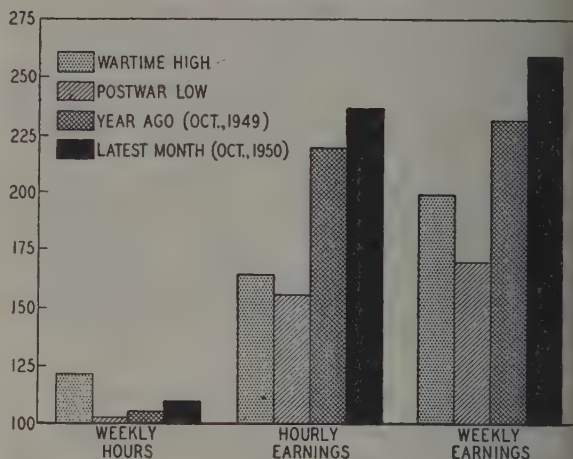
CONTRACT SETTLEMENTS SURVEYED

According to THE CONFERENCE BOARD's monthly check of recent wage settlements, over 600,000 workers received increases, which were reported between mid-October and mid-November. Money increases far outshadowed benefit settlements, with 10 cents an hour the favored hike among wage earners. In the preceding survey month, beginning with September 15, settlements centered around 5 cents as well as 10 cents an hour for the wage earner group. Increases occurred in a wide variety of industries—in one of the broadest cross sections recorded in recent months. Outstanding, however, was the number of metal manufacturing, paper and textile companies that granted wage boosts to their employees. The rubber industry was also in the foreground with Firestone, Goodrich, Goodyear and U. S. Rubber (the Big Four) and the United Rubber Workers (CIO) agreeing to a 12 cents an hour average increase for a total of 97,000 wage earners.

As prices have climbed since World War II, earnings have also continued to rise beyond their wartime peak levels. Production workers' hourly pay in October was almost one and a half times as much as

Changes in Selected Indexes for Production Workers, All Manufacturing Industries

Index Numbers: 1939 = 100



Sources: Bureau of Labor Statistics; THE CONFERENCE BOARD

the January, 1945, average—which was the peak during World War II (see the chart). Overtime hours and premium pay were near record levels at that time. And notwithstanding the fact that the length of the work week has been shortened considerably, gross weekly earnings also shot upward (about 30%) between January, 1945, and October this year.

HOURS ARE MOUNTING

Average weekly hours went as high as 45.6 during World War II, but after V-J day they soon receded to a five-day, eight-hour schedule. Now that our economy is again geared for defense activities, the number of factory working hours is once more showing signs of expansion beyond the forty-hour mark. However, the pressures are not yet great enough to relax the existing maximum-hours laws and order a forty-eight hour standard work week, according to a recent address by Secretary of Labor Maurice J. Tobin. And in view of the high incidence of illness, absenteeism, fatigue and labor turnover that accompanied the wartime hours' schedules, such a revision may not be wise or efficient, he added. Should an emergency situation warrant certain temporary changes in the nation's hours policy, he believes a

rogram will be designed in advance for optimum output in our factories.

Since the Korean outbreak, average weekly hours have shown an over-all rise of fifty-four minutes. Almost one half of the jump occurred between September and October, with this latter month hitting an almost-four-year high (41.4 hours). A good deal of the upward pressure was exerted by ordnance and accessories, metals, electrical machinery and transportation equipment plants; much of it, too, came from seasonal activities in the apparel and lumber industries.

As industrial output continues upward, many key production areas are being reactivated and the call

for additional workers is getting louder and louder. In the durable goods industries surveyed by the Bureau of Labor Statistics, 111,000 more production workers were put on the payrolls between September and October. But the demand is still growing and the available manpower supply, especially in the skilled occupations, is rapidly shrinking. Metalworking industries have been hardest hit. Machinists, tool and die makers, welders, turret-lathe, milling machine and engine-lathe operators, skilled aircraft workers—all have a wide choice of job openings in any number of industrial areas.

ELIZABETH M. CASELLI
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COST OF LIVING ON A PENSION

PENSIONS have come into the limelight as one of the main objectives in the growing race for security. Few prospective pensioners have stopped to realize that inflation must be halted if the pension gains are to mean very much. The broad extension of pension benefits which has occurred in the past year or two ought to have placed many more people on the side of those who are fighting a continuation of the inflationary trends of the past ten years.

The cost of living on a pension, or what it takes to provide the necessities to elderly persons, can be easily computed—at a given time. But this is small comfort to pensioners who find the purchasing value of their income shrinking at an alarming rate.

To put it in terms of dollars and cents, the cost of providing an elderly couple with a decent, healthy standard of living was \$70 a month in 1938, according to a budget developed by the Federal Security Agency and at prices then paid by moderate-income consumers. This budget provided few, if any, of the small luxuries of living.

This same budget would have cost \$115 a month in 1948. A drop of 40 cents in the purchasing value of the pensioner's dollar accounted for the much higher cost. Since the additional \$45 would have been almost impossible to obtain by most pensioners in moderate circumstances, it meant that the pensioner had to get along somehow on only three fifths of the goods and services which were considered necessities by the governmental agency.

Even more impossible to handle on a modest pension is a budget developed by the Social Security Agency and described by it as furnishing a standard of living between the "subsistence level providing for

the physical needs [of the elderly couple] . . . and the luxury level of living." The estimated cost of this budget in early 1949 was \$140 a month.

Generally, pensioners are dependent on a fixed income. Savings are the next most important source of funds available to these people. In a time of inflation these do not represent much of a hedge. Inflation of the past ten years has already depreciated the value of this source alarmingly. For example, a bank account with a balance of \$1,000 in 1938 would have increased to approximately \$1,220 by 1948, at 2% interest. In purchasing power, it would have been equivalent to only 730 of the 1938 dollars.

Another common form of savings is government bonds. Inflation has taken its toll there, too. An investment of \$750 in 1938 would have brought \$1,000 in 1948, but would have been worth only \$600 in terms of the relative amount of goods and services it would purchase. Savings would have had to be invested at 5% in order for the pensioner to maintain

Estimated Expenditures for an Aged Couple,
1938 and 1948

	Estimated Budget Expenditures, 1938	Estimated Budget Expenditures, 1948	Per Cent Increase 1938- 1948
Food.....	\$268.62	\$576.58	114.6
Clothing.....	84.44	172.81	104.7
Furnishings.....	53.71	102.54	90.9
Household operation.....	73.94	92.17	24.7
Personal care.....	78.90	115.02	45.8
Housing.....	227.66	256.75	12.8
Medical expenses.....	48.79	69.96	43.4
Total expenditure.....	\$836.06	\$1,385.83	65.8

Sources: Bureau of Labor Statistics; Federal Security Agency

his purchasing power over the past ten years, rather than at 2% received on bank deposits and close to 3% received on government savings bonds.

The farther down the scale of living you go, the more disastrous the inflationary effect has been. As funds diminish, an increasing percentage of income is spent on food. The cost of foods commonly consumed by elderly couples has increased much more (114.6%) than the average for all items over the

past ten years, cutting in half the purchasing power of those living on smaller incomes. Because of rent control, shelter has increased relatively little in cost, but clothing—the third most important item in the budget—has increased almost 105% in ten years. As a matter of fact, inflation has raised the cost of food and shelter as high as the total budget cost in 1938

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Briefs on

PENSIONS AND OTHER BENEFITS

First Bureau Ruling on Negotiated Pensions

Many of today's union-negotiated pension plans are quite different from the retirement-benefit plans in existence when the Internal Revenue Code was revised in 1942. There is some question whether these later programs will qualify under Section 165(a) of the code. Qualification is necessary to permit the employer to deduct his contributions to the fund from taxable income under Section 23(p). In particular, it must be determined whether a plan, incorporated in a union agreement running for five years, is of a permanent nature—which is a prerequisite under the code. Equally important, it must be decided whether a plan providing a fixed pension of \$100 a month but funded by employer contributions of a stated percentage of pay of covered employees violates the requirement that benefits must be definitely determinable.

In its first ruling on this type of pension plan (PS No. 64), issued November 9, the Bureau of Internal Revenue contends that the renegotiation of the plan at the end of the five-year period does not mean that the plan itself will be discontinued at that time. Rather, the plan under consideration is intended as a continuing and permanent program at its inception. Although upon renegotiation of the union contract it may be agreed to maintain the plan without change, modify it or discontinue it altogether, this provision, the Commissioner of Internal Revenue remarks, is very similar to that contained in pension plans generally where provision is usually made for amendment and discontinuance of the plan.

The commissioner also accepted the claim of the employer that according to actuarial computations the contributions are sufficient to meet (1) the full cost of pensions for employees expected to retire during the first five years, or (2) the normal costs plus

interest on unfunded past-service liabilities for all employees under the plan during that period. Accordingly, the commissioner is of the opinion that "the definiteness of the M Company's plan is not adversely affected merely because it provides for a fixed benefit and a stated rate of contributions." The commissioner makes it clear, however, that the bureau is in no way passing on the actuarial soundness of the plan or on the reasonableness of the actuarial computations.

In reference to the deductibility of the employer's contributions, the commissioner states:

"In this type of plan, the limits under Section 23 (p) of the code will be based on the fixed benefits without reference to the contributions and on the assumption that the plan will be continued beyond the five-year contract period."

The plan on which the ruling was given provides for a pension of \$100 a month in addition to Social Security for all hourly paid employees with twenty-five years' service at age sixty-five. The pension is proportionately lower for employees with fifteen but less than twenty-five years' service. The entire cost of the plan is funded by company contributions equal to a fixed percentage of wages of participating employees.

Annuity + "E" Bonds + Gulf Stock = Security

Gulf Oil Corporation put into effect in October its new trustee Employees Savings Plan affecting 30,000 eligible employees in the United States earning up to \$9,000 a year. The plan has three major features: an annuity fund, a savings fund and a stock bonus fund, membership in the latter two being contingent on employee contributions to the first. Under the annuity feature, the employee contributes up to 3% of earnings. The company matches these contribu-

ons. In addition, the employee can contribute up to 4% more of his earnings to the savings fund, which is invested by the company in "E" bonds. For each employee dollar contributed to the savings fund, the company invests 50 cents in shares of Gulf Oil common stock, distributing this stock as a bonus at the end of each three-year term.

Employee contributions to the plan started as of October 1 but Gulf dated this plan January 1, 1950, and made its own contributions retroactive to that date, thereby insuring the plan a flying start.

Washington Disability Law Loses Out

Opposed by CIO unions and the AFL Teamsters, the proposed temporary-disability law for the State of Washington was defeated almost three to one in a November 7 referendum. The chief complaint of the labor leaders, who intend to introduce a substitute measure of their own in the 1951 legislature, was that the proposed law permitted the employers to carry these benefits under a private plan. Of the four states having such laws, only Rhode Island prohibits this.

11,020 Insured Pension Plans

Up-to-date information on the total number of pension plans is lacking, but the Institute of Life Insurance has compiled statistics on the number and coverage of pension plans underwritten with insurance companies. The number of these plans in mid-1950 stood at 11,020, with employee coverage of 2,775,000. This is in decided contrast to the situation in 1940, when there were 1,530 such plans with 700,000 employees participating. The steady growth over the ten-year period is indicated in the accompanying table.

The number of such plans has increased sevenfold, while the number of workers covered has quadrupled. Annual retirement income to be provided under these plans is expected to be well in excess of \$1 billion, while at the end of 1949, total reserves of \$4.5 billion had been accumulated for financing these pension payments.

The largest number of plans are of the individual-

policy trustee type. Primarily used by small groups, they average about sixty persons per plan. Group annuities provide pensions for the greatest number of employees, with a coverage of 1,975,000, or an average of 875 persons per plan. Deposit-administration plans since the beginning of 1950 have risen 75% in number of plans and 20% in persons covered. They now average about 2,150 persons per group.

Twenty Shops Buy Toledo Plan

The Toledo area pension plan has come into being. According to the United Automobile Workers, CIO, more than twenty shops with a total of 1,000 employees have signed up under a UAW retirement income trust fund. The plan calls for employer contributions of 7 cents per hour for each employee, and pension benefits, including Social Security, of \$100 a month for employees aged sixty-five and with twenty-five years' service in the participating shops. The plan allows transfer of pension credits from one shop to another through reciprocal agreements.

The idea of an area plan came from Richard T. Gosser, an international vice-president of the UAW, who reasoned that a group of small shops could provide collectively the \$100 a month pensions that the individual shops could not afford. So far, however, the UAW has not been able to sell this idea to forty other shops which were approached at the same time as the ones that did join. These shops say that their costs, personnel, and other problems are individual and dissimilar. And they are not at all certain that the contribution of 7 cents per man-hour will not be raised once everyone is in.

More About Pensions

The pension plan in the New York brewery industry, first proposed in the June, 1949, strike of the CIO's Brewery Workers Union, is now an actuality. The plan is funded by employers' contributions of 60 cents per day per employee up to a maximum of \$3 a week. Employees contribute 40 cents per day up to a maximum of \$2 a week. Past-service benefits amount to \$1.45 a month for each year of past service.

Number of Insured Pension Plans, by Type

Year	Total		Group Annuities		Deposit-Administration Plans		Individual Policy Plans		Other Types ¹	
	No. of Plans	Employees Covered	No. of Plans	Employees Covered	No. of Plans	Employees Covered	No. of Plans	Employees Covered	No. of Plans	Employees Covered
1940.....	1,530	700,000	770	575,000	20	70,000	420	15,000	320	40,000
1945.....	6,700	1,520,000	1,550	1,150,000	20	70,000	4,360	220,000	770	80,000
1948.....	9,070	2,325,000	2,040	1,675,000	30	125,000	5,800	375,000	1,200	150,000
1949.....	10,660	2,550,000	2,200	1,800,000	40	125,000	7,040	450,000	1,380	175,000
Mid-1950.....	11,020	2,775,000	2,260	1,975,000	70	150,000	7,270	450,000	1,420	200,000

¹Miscellaneous plans, group permanent plans and the life insurance companies' own plans for their employees.

up to thirty years; future service, about \$2.25 a month for each year of participation in the plan. Benefits are over and above Social Security. The employee may continue working and collect pension credits after age sixty-five, or he may retire any time after fifty-five and draw a reduced pension. At fifty-five the pension amounts to about 45% of the normal pension at sixty-five.

* * *

Pension history was made in California recently when General Tire & Rubber's pension trust for salaried employees made a successful bid of over \$12 million for the estate of Don Lee, West Coast radio businessman and automobile dealer. The trust fund will keep the cash and the income-producing real estate. It will, however, sell or lease the valuable television and radio properties to General Tire and Columbia Broadcasting companies. The acquisition of the four wholly-owned Don Lee stations would give General Tire eight stations. Since the Federal Communications Commission limits company ownership to not more than seven stations, the deal now awaits the word from FCC.

Personnel Briefs

Bonus Vacation for Long-Service Workers

"How can we handle the worker who wants to take a real vacation: go on a cross-country trip, take a cruise, or see the old country?" is a question that comes up at the bargaining table. All of these take longer than the standard two weeks' vacation.

To solve this problem, officials of a midwestern chemical company and District 50, UMW, worked out a special clause. Workers under this clause get extra days of vacation that may be taken any time within a five-year period after they have been with the company five, ten and twenty years. These bonus days are in addition to what the contract calls a "maximum standard vacation" of thirteen working days. The clause reads as follows:

"Merit Vacation

"(a) An employee who has become eligible for the maximum standard vacation allowance will earn additional vacation as follows:

"After ten years of continuous employment, he shall be entitled to five additional days of vacation during the ensuing five-year period. After fifteen years of continuous employment, he shall be entitled to ten additional days of vacation during the ensuing five-year period. After twenty years of continuous employment, he shall be en-

titled to fifteen additional days of vacation during each five-year period thereafter.

"(b) This additional vacation must be taken in blocks of at least two days."

For Better Campus Interviews

Why do some company recruiters get better prospects than others when visiting college placement offices? One safe guess is the way they cooperate with the college officials. A brief article in the Fall, 1950, issue of *School and College Placement* offers six suggestions for getting better service. They are:

- Give the placement office advance notice of your visit—one week at least, and two or three weeks if possible.
- List the specifications desired in candidates so that some screening can be done prior to your visit.
- Let the college know if your plans change so the interview schedule can be adjusted accordingly.
- Indicate the approximate length of each interview desired.
- After the interviews, consult with the placement officer to get his slant on the candidates.
- Be sure your company's college recruiting effort is coordinated so that, if more than one recruiter visits the campus, each will tell the same story.

Company Information on Wallet Cards

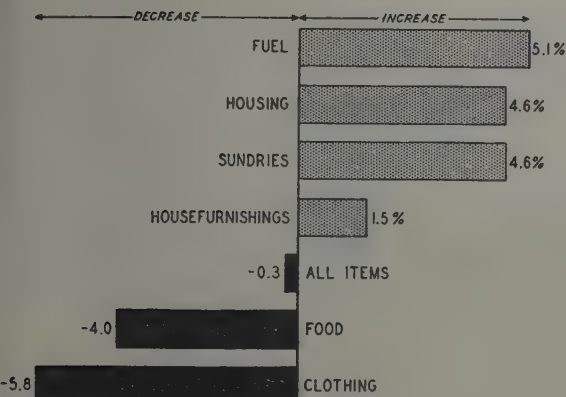
If the Cleveland Graphite Bronze employee seems to have all the statistics concerning his company on the tip of his tongue, he probably has taken a peek at a card carried in his wallet. On both sides of the card (2 $\frac{3}{8}$ by 3 $\frac{3}{4}$ inches), the annual report for the preceding year is presented in summary form.

How much taxes did the company pay? How much was paid out in dividends? How many employees are there in the company? How many stockholders? How much money did top management get last year? The card tells, so the employee has all the answers. The wallet cards are given to all employees.

Hogging the Prize

The "messy pig" angle is one that usually gets a workout when a company sponsors a good housekeeping contest. But most often the analogy is limited to word and picture. One of the Owens-Illinois Glass Company's plants recently took the whole promotion campaign one step further. The care and feeding of a real live pig for a week was the penalty one department paid for finishing last in a plant good housekeeping drive. Apparently the grim reminder of a live, caged pig in the department worked wonders. The appearance of all departments has improved greatly since the contest began, company officials say.

Consumers' Prices Continue Rise



Consumers' Price Index, September, 1948-
October, 1950

Source: THE CONFERENCE BOARD

HOUSEWIVES continued to feel the pinch of rising prices in October. While the increase in THE CONFERENCE BOARD's consumers' price index was negligible, housewives had to pay more than they did a month earlier for housefurnishings, clothing, housing and sundries. The surge of higher prices which began in June continued through October, with the exception of food prices. As the accompanying chart shows, most of the major components were higher than they were at the peak of the postwar rise in consumers' prices. Food and clothing prices, although higher than they have been for some time, were still below their level in September, 1948.

MAJOR COMPONENTS

Housefurnishings—For the third consecutive month, the housefurnishings index paced the advance, increasing 2.6% from September 15 to October 15. The index reached its former peak of September, 1948, when it stood at 158.1.

Since June, 1950, prices on the average have advanced over 8%, bringing the October index up to 160.4, or 1½% above the previous high. As in the past two months, every item showed an increase. It is the opinion of persons in the household wood furniture industry that the record sales are in line with the continued fast pace of residential building, despite credit restrictions and shortages. The year 1950 may represent an all-time record sales year, with dollar orders up 17% from September to October.

Clothing—Retail prices of both men's and women's
(Text continued on page 470)

Consumers' Price Index for Fifty-four United States Cities, and Purchasing Value of the Dollar
Index Numbers, January, 1939 = 100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 October.....	160.4	204.0 ^a	113.7	144.0	156.5	133.3	128.8	92.3	101.9	147.4	155.2	62.3
November.....	160.5	204.0	113.7	143.8	156.4	133.1	129.6	92.6	102.0	147.2	155.3	62.3
December.....	159.5	200.9	113.7	143.6	156.2	132.8	130.1	92.6	102.0	147.5	155.3	62.7
Annual average.....	161.3	207.2	112.7	147.0	159.6	136.2	128.3	91.8	101.6	150.8	154.0	62.0
1950 January.....	159.7	200.9 ^b	114.7	143.2	156.0	132.3	130.5	92.6	101.7	147.6	155.4	62.6
February.....	159.1	199.3	114.7	142.7	155.7	131.8	131.2	92.6	102.5	147.9	155.4	62.9
March.....	159.7	201.0	114.8	142.6	155.5	131.7	131.5	92.7	102.3	147.7	155.5	62.6
April.....	160.0	201.0 ^c	115.2 ^r	142.5	155.5	131.5	132.3	92.6	102.2	148.1	155.9	62.5
May.....	161.0	204.5	115.4 ^r	142.5	155.6	131.4	129.7	92.8	102.2	148.1	155.9	62.1
June.....	162.2	207.7	115.3	143.0	157.0	131.1	129.5	92.8	102.2	148.3	156.1	61.7
July.....	164.3	213.5 ^d	115.8 ^r	143.2	157.4	131.2	130.0	92.8	101.4	148.9	156.3	60.9
August.....	164.9	213.5	115.9 ^r	143.9	158.0	132.0	131.4	92.9	101.3	153.4	157.2	60.6
September.....	165.9	214.6 ^e	116.0	146.4 ^r	159.8	135.0 ^r	132.1	92.9	101.3	156.3	158.0	60.3
October.....	166.0	213.5 ^f	116.3	147.5	161.4	135.7	133.0	92.9	101.2	160.4	158.1	60.2

Percentage Changes

Sept., 1950 to Oct., 1950.....	+0.1	-0.5	+0.3	+0.8	+1.0	+0.5	+0.7	0	-0.1	+2.6	+0.1	-0.2
Oct., 1949 to Oct., 1950.....	+3.5	+4.7	+2.3	+2.4	+3.1	+1.8	+3.3	+0.7	-0.7	+8.8	+1.9	-3.4

¹Rents surveyed quarterly, January 15, April 15, July 15, Oct. 15, from Oct. 1949, through January 1950.

²Includes electricity and gas.

³Rents surveyed quarterly for individual cities from February 1950, forward.

^aBased on food prices for October 13, 1949.

^bBased on food prices for January 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eBased on food prices for September 14, 1950.

^fBased on food prices for October 16, 1950.

^rRevised.

Consumers' Price Indexes for Cities Surveyed Quarterly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939 = 100			Percentage Changes	
	Oct. 1950	July 1950	Oct. 1949	July 1950 to Oct. 1950	Oct. 1949 to Oct. 1950
Baltimore					
Food.....	215.6	214.2 _r	207.8	+0.7	+3.8
Housing.....	112.3	112.3	110.1	0	+2.0
Clothing.....	149.4	145.3	145.5	+2.8	+2.7
Fuel ¹	147.6	146.2	150.5	+1.0	-1.9
Housefurnishings.....	136.7	165.7	163.6	+12.7	+14.1
Sundries.....	153.2	151.3	150.5 _r	+1.3	+1.8
Weighted Total.....	168.3	165.8	163.2 _r	+1.5	+3.1
Bridgeport					
Food.....	203.2	205.2	195.6 _r	-1.0	+3.9
Housing.....	111.6	111.1	107.2	+0.5	+4.1
Clothing.....	140.7	137.1	138.9	+2.6	+1.3
Fuel ¹	154.6	148.9	148.4	+3.8	+4.2
Housefurnishings.....	155.2	145.4	144.5	+6.7	+7.4
Sundries.....	173.8	172.3	172.3 _r	+0.9	+0.9
Weighted Total.....	165.9	164.9	161.2 _r	+0.6	+2.9
Dayton					
Food.....	209.0	210.1	198.0	-0.5	+5.6
Housing.....	123.2	119.0	117.5	+3.5	+4.9
Clothing.....	140.9	138.1	138.4	+2.0	+1.8
Fuel ¹	143.4	141.9	140.2	+1.1	+2.3
Housefurnishings.....	165.6	154.7	152.1	+7.0	+8.9
Sundries.....	155.6	153.7	152.0 _r	+1.2	+2.4
Weighted Total.....	164.2	162.1	157.5 _r	+1.3	+4.3
Erie, Pa.					
Food.....	230.8	236.8 _r	219.0	-2.5	+5.4
Housing.....	129.3	128.3	123.2	+0.8	+5.0
Clothing.....	172.5	165.7	167.1	+4.1	+3.2
Fuel ¹	159.6	156.7	153.7	+1.9	+3.8
Housefurnishings.....	169.3	149.5	145.0 _r	+13.2	+16.8
Sundries.....	166.3	165.1	161.9	+0.7	+2.7
Weighted Total.....	180.3	179.9 _r	172.1	+0.2	+4.8
Grand Rapids					
Food.....	214.4	212.9	203.4 _r	+0.7	+5.4
Housing.....	144.7	135.7 _r	118.8	+6.6	+21.8
Clothing.....	143.8	135.9	138.3 _r	+5.8	+4.0
Fuel ¹	157.1	152.2	155.1	+3.2	+1.3
Housefurnishings.....	171.1	159.2	155.3	+7.5	+10.2
Sundries.....	161.8	160.4 _r	157.9	+0.9	+2.5
Weighted Total.....	172.4	168.1 _r	162.0 _r	+2.6	+6.4
Green Bay, Wis.					
Food.....	216.7	220.2	213.4	-1.6	+1.5
Housing.....	132.1	132.1	131.8 _r	0	+0.2
Clothing.....	157.4	150.5	153.2	+4.6	+2.7
Fuel ¹	139.8	136.3	139.7	+2.6	+0.1
Housefurnishings.....	146.0	132.8 _r	135.1 _r	+9.9	+8.1
Sundries.....	155.2	154.4	153.9 _r	+0.5	+0.8
Weighted Total.....	167.7	166.6 _r	165.2 _r	+0.7	+1.5
Houston					
Food.....	219.0	213.6 _r	211.0	+2.5	+3.8
Housing.....	137.3	134.8 _r	115.8	+1.9	+18.6
Clothing.....	147.6	144.0	142.8	+2.5	+3.4
Fuel ¹	81.8	81.8	81.8	0	0
Housefurnishings.....	140.8	131.2	129.5	+7.3	+8.7
Sundries.....	154.7	153.1	150.3	+1.0	+2.9
Weighted Total.....	164.1	160.6 _r	155.7	+2.2	+5.4
Memphis					
Food.....	226.9	227.1	216.2	-0.1	+4.9
Housing.....	114.5	114.5	114.4	0	+0.1
Clothing.....	150.4	147.6	148.9	+1.9	+1.0
Fuel ¹	120.8	118.0	117.9	+2.4	+2.5
Housefurnishings.....	154.9	146.9	145.4	+5.4	+6.5
Sundries.....	139.2	135.5	137.8 _r	+2.7	+1.0
Weighted Total.....	160.3	158.2	155.9 _r	+1.3	+2.8
Minneapolis-St. Paul					
Food.....	227.2	226.4	218.8	+0.4	+3.8
Housing.....	109.1	109.1	109.1	0	0
Clothing.....	150.6	145.1	146.0	+3.8	+3.2
Fuel ¹	141.1	138.3 _r	139.8	+2.0	+0.9
Housefurnishings.....	173.1	158.1 _r	154.1	+9.5	+12.3
Sundries.....	163.0	160.1	157.8	+1.8	+3.3
Weighted Total.....	170.1	167.4 _r	164.5	+1.6	+3.4
Newark					
Food.....	208.3	213.1	203.3	-2.3	+2.5
Housing.....	106.4	106.4	106.2	0	+0.2
Clothing.....	138.8	135.2	135.8	+2.7	+2.2
Fuel ¹	120.1	116.7	117.0	+2.9	+2.6
Housefurnishings.....	191.3	169.6	166.2	+12.8	+15.1
Sundries.....	144.9	146.3	145.7	-1.0	-0.5
Weighted Total.....	160.5	161.4	157.6	-0.6	+1.8
Omaha					
Food.....	233.9	232.4 _r	227.4 _r	+0.6	+2.9
Housing.....	125.6	125.4	111.3	+0.2	+12.8
Clothing.....	148.2	140.9	143.3	+5.2	+3.4
Fuel ¹	133.8	132.0	130.9	+1.4	+2.2
Housefurnishings.....	138.2	164.7	162.7	+11.2	+12.6
Sundries.....	158.7	155.5	154.4 _r	+2.1	+2.8
Weighted Total.....	172.7	169.5	165.6 _r	+1.9	+4.3
Roanoke, Va.					
Food.....	213.6	210.1	206.8	+1.7	+3.3
Housing.....	151.4	149.0	140.6	+1.6	+7.7
Clothing.....	166.8	158.1	162.1	+5.5	+2.9
Fuel ¹	155.0	152.1	152.5	+1.9	+1.6
Housefurnishings.....	165.6	152.6	151.2	+8.5	+9.5
Sundries.....	154.0	152.4	150.6	+1.0	+2.3
Weighted Total.....	173.1	169.5 _r	166.8	+2.1	+3.8
Sacramento					
Food.....	218.1	211.0	208.4	+3.4	+4.7
Housing.....	153.7	128.3	115.5	+19.8	+33.1
Clothing.....	167.8	161.3 _r	163.0	+4.0	+2.9
Fuel ¹	76.2	76.2	73.7	0	+3.4
Housefurnishings.....	173.3	158.3	158.4 _r	+9.5	+9.4
Sundries.....	154.3	149.8 _r	151.0	+3.0	+2.2
Weighted Total.....	171.8	162.2	159.6	+5.9	+7.6
Seattle					
Food.....	211.5	207.6	205.2	+1.9	+3.1
Housing.....	128.1	123.6 _r	120.0	+3.6	+6.8
Clothing.....	139.1	133.2	135.0	+4.4	+3.0
Fuel ¹	138.8	137.5	135.8 _r	+0.9	+2.2
Housefurnishings.....	172.3	158.5	153.6	+8.7	+8.6
Sundries.....	151.3	150.1	148.7 _r	+0.8	+1.7
Weighted Total.....	165.6	162.0 _r	160.3 _r	+2.2	+3.3
Syracuse					
Food.....	215.8	216.1	206.0	-0.1	+4.8
Housing.....	124.5	124.5	116.7	0	+6.7
Clothing.....	154.2	149.6	144.9	+3.1	+6.4
Fuel ¹	154.4	151.0	150.4	+2.3	+2.7
Housefurnishings.....	165.2	156.7	155.3	+5.4	+6.4
Sundries.....	146.2	143.8	143.5	+1.7	+1.9
Weighted Total.....	164.4	162.6	157.5	+1.1	+4.4

Source: THE CONFERENCE BOARD

¹Includes electricity and gas. _rRevised.

Consumers' Price Indexes for Cities Surveyed Monthly

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	Oct. 1950	Sept. 1950	Oct. 1949	Sept. 1950 to Oct. 1950	Oct. 1949 to Oct. 1950		Oct. 1950	Sept. 1950	Oct. 1949	Sept. 1950 to Oct. 1950	Oct. 1949 to Oct. 1950
Birmingham						Indianapolis					
Food.....	216.1	217.4	210.1	-0.6	+2.9	Food.....	228.5	230.6	211.4 _r	-0.9	+8.1
Housing ¹	149.6	149.7	121.6	-0.1	+23.0	Housing ²	121.0	121.0	119.4	0	+1.3
Clothing.....	149.4	147.2	147.3	+1.5	+1.4	Clothing.....	143.1	142.5 _r	141.0	+0.4	+1.5
Fuel ⁴	130.9	127.5	125.4	+2.7	+4.4	Fuel ⁴	158.7	155.4	153.7	+2.1	+3.3
Housefurnishings.....	166.9	158.4	147.0	+5.4	+13.5	Housefurnishings.....	157.3	155.3	145.1	+1.3	+8.4
Sundries.....	143.4	143.1	141.0	+0.2	+1.7	Sundries.....	167.0	167.0	158.7 _r	0	+5.2
Weighted Total.....	166.7	166.1	158.0	+0.4	+5.5	Weighted Total....	173.5	173.6	164.4 _r	-0.1	+5.5
Boston						Los Angeles					
Food.....	199.5	199.6	192.1	-0.1	+3.9	Food.....	207.5	205.2	202.4	+1.1	+2.5
Housing ²	116.1	116.1	116.1	0	0	Housing ¹	114.6	114.6	111.9	0	+2.4
Clothing.....	142.1	141.5	139.5	+0.4	+1.9	Clothing.....	140.8	139.3	139.1	+1.1	+1.2
Fuel ⁴	164.8	162.1	157.6	+1.7	+4.6	Fuel ⁴	97.9	97.9	91.8	0	+6.6
Housefurnishings.....	162.7	157.8	152.9	+3.1	+6.4	Housefurnishings.....	161.8	153.4	137.3	+5.1	+17.5
Sundries.....	153.0	152.5	150.9	+0.3	+1.4	Sundries.....	150.9	150.7	150.9	+0.1	0
Weighted Total.....	162.5	162.0	158.2	+0.3	+2.7	Weighted Total....	158.5	157.2	154.9	+0.8	+2.3
Chicago						New Orleans					
Food.....	225.1	226.6 _r	210.7	-0.7	+6.8	Food.....	221.4	224.6	208.9	-1.4	+6.0
Housing ¹	124.3	124.3	120.5	0	+3.2	Housing ²	121.9	121.9	119.2	0	+2.3
Clothing.....	145.5	145.0	142.7	+0.3	+2.0	Clothing.....	150.6	149.6 _r	149.4 _r	+0.7	+0.8
Fuel ⁴	114.2	114.1	110.0	+0.1	+3.8	Fuel ⁴	91.0	91.0	90.3	0	+0.8
Housefurnishings.....	153.4	148.7	142.6	+3.2	+7.6	Housefurnishings.....	168.1	165.2	159.8	+1.8	+5.2
Sundries.....	165.2	165.5	163.7 _r	-0.2	+0.9	Sundries.....	142.3	142.1	139.9	+0.1	+1.7
Weighted Total.....	170.7	171.1 _r	164.0 _r	-0.2	+4.1	Weighted Total....	168.1	169.0	161.8 _r	-0.5	+3.9
Denver						New York					
Food.....	215.1	213.3	205.0	+0.8	+4.9	Food.....	201.6	204.7	194.2	-1.5	+3.8
Housing ²	113.4	113.4	113.4	0	0	Housing ²	104.6	104.6	104.6 _r	0	0
Clothing.....	158.5	155.5	152.5	+1.9	+3.9	Clothing.....	147.8	146.8 _r	143.7	+0.7	+2.9
Fuel ⁴	106.3	106.0	104.9	+0.3	+1.3	Fuel ⁴	133.9	133.1	129.9	+0.6	+3.1
Housefurnishings.....	155.3	153.2	140.7	+1.4	+10.4	Housefurnishings.....	160.2	158.0	150.3	+1.4	+6.6
Sundries.....	151.1	150.9 _r	149.2	+0.1	+1.3	Sundries.....	161.8	161.5 _r	160.1 _r	+0.2	+1.1
Weighted Total.....	162.3	161.3	157.3	+0.6	+3.2	Weighted Total....	161.1	161.7 _r	157.0 _r	-0.4	+2.6
Detroit						Philadelphia					
Food.....	220.6	217.7	206.6	+1.3	+6.8	Food.....	201.0	201.7 _r	192.9 _r	-0.3	+4.2
Housing ²	116.2	116.2	114.8	0	+1.2	Housing ²	111.0	111.0	110.5	0	+0.5
Clothing.....	145.0	144.3	142.7 _r	+0.5	+1.6	Clothing.....	140.5	139.0	133.3	+1.1	+5.4
Fuel ⁴	155.2	152.0	146.3	+2.1	+6.1	Fuel ⁴	151.4	149.9	145.4	+1.0	+4.1
Housefurnishings.....	162.4	161.0 _r	149.7	+0.9	+8.5	Housefurnishings.....	164.4	159.0 _r	146.0	+3.4	+12.6
Sundries.....	168.0	167.7	165.3	+0.2	+1.6	Sundries.....	153.4	154.6	152.8	-0.8	+0.4
Weighted Total.....	169.6	168.3	163.0	+0.8	+4.0	Weighted Total....	162.6	162.6	159.4 _r	0	+2.0

SOURCE: THE CONFERENCE BOARD

¹Rents surveyed January, April, July, October.

²Rents surveyed February, May, August, November.

³Rents surveyed March, June, September, December.

⁴Includes electricity and gas.

^rRevised.

Consumers' Price Index for Ten United States Cities, and Purchasing Value of the Dollar

Index Numbers, January, 1939=100

Date	Weighted Average of All Items	Food	Housing ¹	Clothing			Fuel ²			House- furnish- ings	Sundries	Purchasing Value of the Dollar
				Total	Men's	Women's	Total	Electricity	Gas			
1949 October.....	159.3	200.3 _a	111.6	142.0	153.2	132.6	125.9	94.1	103.3	147.2	158.1	62.8
November.....	159.5	201.0	111.6	141.9	153.1	132.5	126.8	94.1	103.3	147.0	158.1	62.7
December.....	158.4	197.8	111.6	141.6	152.8	132.2	127.2	94.1	103.3	147.3	158.0	63.1
Annual average.....	160.5	204.0	111.5	144.8	156.3	135.1	125.6	93.7	103.2	150.2	156.5	62.3
1950 January.....	158.4	197.6 _b	112.3	141.4	152.8	131.7	127.4	94.1	102.7	147.5	157.7	63.1
February.....	157.9	196.0	112.3	140.9	152.4	131.2	128.1	94.1	103.7	147.8	157.7	63.3
March.....	158.5	197.7	112.3	140.7	152.1	131.1	128.4	94.2	103.7	147.6	157.8	63.1
April.....	158.7	197.7 _c	112.6	140.6	152.1	131.0	129.4	94.2	103.7	147.9	158.2	63.0
May.....	159.8	201.4	112.7	140.7	152.2	130.9	127.0	94.1	103.7	147.8	158.3	62.6
June.....	160.9	204.3	112.7	141.2	153.6	130.7	127.0	94.1	103.7	148.0	158.4	62.2
July.....	163.1	210.1 _d	113.2	141.4	153.9	130.8	127.6	94.2	103.7	148.5	158.5	61.3
August.....	163.6	210.0	113.2	142.2	154.8	131.6	129.0	94.1	103.7	153.1	159.3	61.1
September.....	164.5	211.1 _e	113.2	144.6 _r	156.6	134.5 _r	129.8	94.1	103.7	156.3 _r	159.8	60.8
October.....	164.4	209.9 _f	113.2	145.6	158.2	135.0	130.8	94.1	103.7	160.0	159.8	60.8
Percentage Changes												
Sept., 1950 to Oct., 1950....	-0.1	-0.6	0	+0.7	+1.0	+0.4	+0.8	0	0	+2.4	0	0
Oct., 1949 to Oct., 1950....	+3.2	+4.8	+1.4	+2.5	+3.3	+1.8	+3.9	0	+0.4	+8.7	+1.1	-3.2

¹Rents surveyed quarterly in individual cities.

²Includes electricity and gas.

^aBased on food prices for October 13, 1949.

^bBased on food prices for Jan. 16, 1950.

^cBased on food prices for April 13, 1950.

^dBased on food prices for July 13, 1950.

^eBased on food prices for September 14, 1950.

^fBased on food prices for October 16, 1950.

^rRevised.

clothing advanced from September to October bringing the combined clothing index up to 147.5. Mainly responsible was the 1% rise in men's clothing. Led by denim work shirts and most cotton goods, practically every item showed an increase. Women's clothing gained 0.5%, with untrimmed fall coats and most lingerie accounting for the increase.

Fuel—Fuel, which includes electricity and gas as well as soft and hard coal, advanced 0.7% from mid-September to mid-October and almost 3.5% above a year ago. With the exception of seasonal declines, the fuel index has shown a gradual upward movement.

Housing—With rent control still in effect in most of the cities surveyed by THE CONFERENCE BOARD, the housing index increased 0.3% over the month. In Dallas, Texas, the first city to lift controls (June, 1949), the index increased almost 36% by the middle of 1950, while the combined fifty-four city index increased over 3% from June, 1949, to October, 1950. Of the twenty-five cities surveyed in October, five have abolished rent control. Increases range from 7.7% in Roanoke to 23% in Birmingham from the time of decontrol to the present.

Food—From September 15 to October 15, food decreased 0.5%, bringing the index down to 213.5. This is the first decrease since February, 1950, when the index stood at 199.3. Seasonal declines in meats and fresh vegetables were responsible for the decrease but were offset in part by increases in canned salmon and dairy products.

The purchasing value of the January, 1939, dollar decreased 0.2% from mid-September to mid-October. In September, 1948, the purchasing value of the dollar was equal to 60.1 cents—and only .1 cent below the October, 1950, level. Of the ten cities surveyed monthly, five registered increases, ranging from 0.8% in Detroit to 0.3% in Boston. Four of the cities showed decreases—from 0.1% in Indianapolis to 0.5% in New Orleans, while Philadelphia showed no change.

SHIRLEY FASS
Statistical Division

Paying Supervisors

(Continued from page 444)

the rate of time and one half on the salary rate of \$134 (\$7,000 a year) for a forty-hour week."

STRAIGHT TIME OR EQUIVALENT

The remaining sixteen companies pay overtime at a rate which is essentially straight time. Excerpts from their replies follow:

"We pay the supervisors 20% of their salaries if they consistently work a sixth day."

"All foremen are paid straight time for scheduled Saturday, Sunday or holiday work. No additional compensation is granted exempt employees for overtime during the week, supper money being paid at the rate of \$3."

* * *

"Foremen are paid straight time for hours worked in excess of forty when they are regularly scheduled to work six or seven days a week."

* * *

"Employees regularly scheduled to work less than fifty-four hours per week but a minimum of forty-eight hours per week will receive additional compensation amounting to 20% of their base salary."

"Employees regularly scheduled to work fifty-four or more hours per week will receive additional compensation at the rate of 30% of their base salary."

* * *

"We pay exempt supervisors one twentieth of one month's pay for each extra day's work on Saturdays, Sundays and holidays. There are no supplemental payments to supervisors who work more than eight hours in a day."

* * *

"All employees, supervisory or not, earning less than \$350 a month are paid on a nonexempt basis. This includes some first-line supervision. When a plant is on a forty-eight hour schedule including Saturdays, we pay all employees earning between \$350 and \$625 per month an extra day's pay each week at straight time."

* * *

"On our present fifty-hour work-week schedule, salaried employees receive additional compensation amounting to 25% of their monthly base rate on the first \$400 of salary."

* * *

"We pay supervisors overtime on a straight-time basis when a plant or department is on an extended work-week schedule."

* * *

"Our first-line exempt supervisors are paid on the basis of 43.75 hours per week. Time worked in excess of that is paid at a straight-time hourly rate."

* * *

"Foremen are paid for planned authorized work in excess of the regular eight-hour daily schedule and for Saturday on the basis of straight time. Authorized work on the seventh day (Sunday) is paid for at straight time. An additional straight time is also paid provided the supervisor has worked seven whole days during the payroll week. An observed holiday not worked would be counted as time worked."

* * *

"Payment for planned hours worked on observed holidays falling within the regular schedule (forty hours) is on the basis of straight time in addition to regular pay for the day. Payment for planned hours worked on observed holidays occurring outside the regular work week (forty hours) is on the basis of double time."

* * *

"An employee in the manufacturing division whose base salary is \$7,500 per year or less and whose department is

THE CONFERENCE BOARD

scheduled to work more than a forty-hour week shall be paid for overtime work performed on Saturdays and Sundays up to a daily maximum of 20% of regularly scheduled work-week hours at a straight-time rate computed by dividing the weekly salary of the employee by the number of hours in the established work week."

* * *

"We pay exempt foremen receiving up to \$600 a month for working extended work weeks. This overtime is for week-end time only, payable for a Saturday afternoon, a Sunday morning or a Sunday afternoon. It is paid in blocks of four hours at straight time and we rely upon the judgment and discretion of our superintendents to request a four-hour payment when the situation is reasonable. In other words, in some cases units might be requested and paid although more or less than four hours were worked. This program does not take into consideration daily overtime, in part on the principle that week-end hours (Saturday afternoon and Sunday) are the most objectionable."

* * *

"We pay exempt foremen for overtime at time and one half for authorized work in excess of the normal scheduled hours for the day or week. The hourly rates used for computing adjustment pay is determined as follows: twelve times the basic monthly salary, including night differential, if any, divided by 2,080."

* * *

"Compensation for overtime is based on a schedule of monthly increments of dollar payments for a given condition of scheduled overtime. A typical schedule will illustrate the kind of payments made."

	Days per Week				
	5¼	5½	5¾	6	7
Class 1 and 2 supervisors. (1st-line supervision)	\$17.50 per mo.	\$35.00 per mo.	\$52.50 per mo.	\$70.00 per mo.	\$140.00 per mo.
Class 3 and 4 supervisors*	*	*	20.00 per mo.	40.00 per mo.	80.00 per mo.
(2nd line—gen. foremen)	*	*	20.00 per mo.	40.00 per mo.	80.00 per mo.
Class 5 and 6 supervisors* (superintendent)	*	*	20.00 per mo.	40.00 per mo.	80.00 per mo.

*Basic requirement is forty-four hour schedule which has been included in salary structure calculation.

"As you can see, this schedule is roughly equivalent to straight time, somewhat better than straight time at the Class I level but somewhat less than straight time at the Class VI level. This has the effect of shrinking previously established differentials seriously if schedules beyond forty-eight hours are maintained for any length of time. We are presently discussing this problem and may revise upward our schedules of payment."

* * *

"All exempt supervisors on a scheduled extended work week are compensated on the following basis. Employees whose base (forty hours per week) salary rate is \$400 per month or less:

"(a) For forty-eight hours per week or less, 2.5% per scheduled hour in excess of forty per week times the base salary rate, plus the base salary rate, adjusted to the nearest \$. For example, if the employee's base salary rate is

\$350 per month and he is scheduled to work forty-eight hours, his extended work-week compensation will be 2.5% times 8 (forty-eight hours less forty hours) times \$3.50, or \$70, plus \$350, or \$420 per month.

"(b) For more than forty-eight hours per week, \$10 per month for each scheduled hour per week in excess of forty-eight hours, plus the calculated forty-eight hour per week rate. Thus, if an employee's base salary rate is \$350 per month and his schedule calls for fifty-eight hours per week, his compensation would be the \$420 per month calculated above, plus \$10 times 10 (fifty-eight hours less forty-eight hours), or \$100 per month, a total of \$520 per month.

"Employees whose base salary rate is over \$400 per month:

"(a) For each scheduled hour in excess of forty per week, the employee will receive \$10 per month. Thus, if an employee's base salary is \$500 per month and he is scheduled to work forty-eight hours per week, his extended work-week compensation will be \$500 plus \$10 times 8 (forty-eight hours less forty hours), or \$580 per month. If the same employee is scheduled to work fifty-eight hours per week, his compensation will be \$500 plus \$10 times 18 (fifty-eight hours less forty hours), or \$680 per month."

* * *

"Salaried employees assigned to extended work weeks receive additional compensation in accordance with the following:

Monthly Base Rate	44 Hours	45 Hours	48 Hours	50 Hours	52 Hours
\$250.....	\$275	\$281	\$300	\$313	\$325
251.....	276	282	301	314	326
252.....	277	284	302	315	328
	***	***	***	***	***
398.....	438	448	478	498	517
399.....	439	449	479	499	519
400.....	440	450	480	500	520
Current Base Salary Plus					
400 through 835..	\$ 40	\$ 50	\$ 80	\$100	\$120

"No employee whose base monthly salary exceeds \$835 is eligible for extended work-week compensation. No additional compensation will be paid for work performed in excess of the number of hours in the scheduled work week."

SUPERVISORY DIFFERENTIALS

Most of the cooperating companies have no fixed policy that the rates of first-line supervisors will be at least a given percentage higher than the rates of their subordinates. Several companies, however, do attempt to maintain a differential, as follows:

"In general, we endeavor to maintain a base rate for foremen 25% higher than the top man supervised."

* * *

"We have an established policy pertaining to fixed differentials between the first-line supervisor and the workers under his control. In brief, a 15% differential is maintained based on a forty-hour operation."

* * *

"We try to maintain a differential of at least 20%."

"We have had in effect since 1941 a policy which provides that foremen shall receive at least 125% of the average rate of the five highest-paid men under their supervision. While this has been intended to apply to base salaries of foremen, we have felt that, in all fairness, it would have to be extended when a department including a foreman is regularly scheduled for a longer work week. During the war period when practically all our operations were on an extended-hours basis, in some cases running up to fifty-four or sixty hours per week, this policy was maintained just as it is now when work weeks vary, generally between forty and forty-eight hours with only occasional exceptions running beyond forty-eight."

* * *

"There is no established policy governing differentials. However, in practice, I believe 20% would be a minimum in any case, with a few first-line supervisors over lesser skilled operations receiving up to 155% of the pay of their employees."

* * *

"The salaried supervisor is paid a differential of approximately 20% over the highest hourly rate (including incentive or bonus at standard) under his supervision, provided there are two or more persons receiving such rates.

"If only one individual is assigned to the highest hourly rated job in a department, the minimum differential to be paid the salaried supervisor is: 15% above the amount paid the highest hourly rated individual (including incentive or bonus at standard); or 20% above the average amount paid to the two highest-paid hourly rated individuals, whichever is desirable.

"In departments having a foreman and an assistant foreman, the foreman's differential is determined in accordance with the above policy. The assistant foreman's salary is then, by judgment, placed between the salary of the foreman and the earnings of the highest hourly workers, but in no case is it less than 10% above the highest hourly earnings as determined above.

"Normally when an individual is promoted to a salaried supervisor's position, he is paid a *minimum* differential of 10%. Within six months of service on the position, the amount of the differential is reviewed."

* * *

"The salary structure is based on several assumptions: (a) that under normal operations the first-line supervisor should receive at least 15% more than the highest hourly employee supervised; (b) that merit increases of 5% each year should be provided; (c) that a differential of 10% should be provided between succeeding levels of supervision for comparable hours; (d) that additional hours normally required of second and third line supervision should be compensated in the base structure."

EXTENDED WORK WEEK DEFINED

A number of the cooperating companies require that supervisors shall receive compensation for over-

time work only if the department is on an extended work week. The following are excerpts from the policies of some of these companies:

"Salaried employees are paid for performing specific functions or assignments rather than for actual hours worked, and therefore some irregularity of hours is inherent in most salaried positions. Consequently, the working of sporadic time involving extra hours during any scheduled work week shall not be construed as constituting an extended scheduled work week, and additional compensation therefor shall not be paid. Any scheduled extended work week shall be considered as an emergency requiring prior authorization by the head of the organization unit concerned."

* * *

"If the foreman's department works only a smattering of overtime, we attempt to compensate for this by time off during the week for the supervisor."

* * *

"An 'extended work-week schedule' means a period of thirty days or more."

* * *

"Occasional or emergency overtime does not receive extra compensation."

* * *

"The policy is designed to pay only where the longer work day or work week is contemplated for an extended period of time. It is not designed to pay for occasional or casual overtime, which seems to be an inseparable feature of supervisory work under most normal conditions."

* * *

"The overtime allowance policy does not pay overtime on an individual clocked basis as in the case of nonexempt employees, since it is not our policy to pay overtime to this group for small, scattered, fractional, occasional, or sporadic overtime. When, however, the pattern, amount, and regularity of overtime is such that it can be scheduled, either prospectively or retroactively, payments are made to exempt salaried employees."

* * *

"It is necessary that the overtime be scheduled for four weeks or more, and in advance."

* * *

"Overtime is not paid on clocked time but only on scheduled time, on the assumption that a supervisor's job may require occasional extra time daily or emergency call-in time over week ends. The scheduled overtime must have a duration of four weeks or more."

* * *

"Overtime compensation is limited to those supervisors who are on a scheduled extended work week which is planned to last for two weeks or more."

HERBERT S. BRIGGS
Division of Personnel Administration

Contract Settlement Announcements—Oct. 15 to Nov. 15

Note: Adjustments verified by company unless otherwise specified

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Apparel and Allied Products</i>					
Atlas Underwear Company.....	WE	7.5%	9-5-50	376	(Int'l Ladies' Garment Workers, AFL)
Richmond, Ind.; Piqua, O.	S	7.5%	9-5-50	12	(No union)
The Williams Carter Company.....	WE	5%	8-21-50	435	Rate prior to increase was \$1.02 hour, effective 8-21-48. Cost of living escalator clause. Pension plan to start 2-1-51. Wage reopening 8-21-52. (Int'l Ladies' Garment Workers, AFL)
Massachusetts	S	5%	8-21-50	167	(No union)
*Clothing Workers.....	WE	\$1.10 hr.	11-20-50	40,000	Pension fund system—employers pay 1%—will increase to 2% on 7-51. (Amal. Clothing Workers, CIO)
New York					
*U. S. Fabric Glove Manufacturers Ass'n of N.Y., Inc. and Consolidated Glove Manufacturers Ass'n of N. Y., Inc.	WE	\$4 wk.	11-50	4,000	Health, life insurance and old age retirement benefits. Two weeks' vacation. Six holidays. (Amal. Clothing Workers, CIO)
New York					
<i>Automobiles, Parts and Accessories</i>					
Ackerman-Blaesser-Fezzy, Inc.....	WE	\$1.10 hr.	9-11-50	255	Additional 5¢ hr. for skilled employees. GM-type cost of living formula effective 12-1-50. Contract expires 4-1-52. (UAW, CIO)
Detroit, Mich.	S	\$20 mo.	9-11-50	12	Additional \$5 mo. to supervisory employees. GM-type cost of living formula effective 12-1-50. (No union)
*Autocar Co.....	WE	\$1.125 hr. unskilled	10-50	1,015	Skilled and allied workers received increase of 16¢ hr. and incentive workers, 8¢ hr. Cost of living clause. Three-year contract. (UAW, CIO)
Ardmore, Pa.					
Automotive Gear Works, Inc.....	WE	\$1.08 hr.	10-30-50	270	Rate prior to increase was approximately \$1.70 hr. Group insurance liberalized. Wage reopening 10-15-51. (United Electrical, Radio & Machine Workers)
Richmond, Ind.	S	5%	10-15-50	35	Group insurance liberalized. (No union)
Fruehauf Trailer Co.....	WE	\$1.03 hr. to \$1.18 hr.	8-9-50	1,689	Sixty hours' pay for employees with 3 years' seniority. Wage reopening 9-8-51. (UAW, AFL)
Avon Lake, O.					
Harder Refrigerator Corp.....	WE	\$1.085 hr.	9-1-50	320	Wage reopening 5-1-51. (UAW, AFL)
Cobleskill, N. Y.					
Motor Wheel Corporation.....	WE	\$1.10 hr. across the board	8-28-50	3,800	Additional 5¢ hr. for skilled employees. GM-type cost of living formula. Wage reopening in five years. Minimum retirement pay. (UAW, AFL)
Lansing, Mich.	S	various	9-1-50	450	Minimum retirement pay. GM-type cost of living formula. (No union)
*Trailmobile Co.....	WE	\$1.05 hr.	10-50	1,600	Cost of living increases of 1¢ hr. for every 1.14 point rise above 8-50 BLS index. (UAW, CIO)
Cincinnati, O.					
<i>Building Materials and Supplies</i>					
Philip Carey Manufacturing Co.....	WE	\$1.10 hr.	8-9-50	405 approx.	Base rate prior to increase was \$1.24 hr., effective 8-9-49. Wage reopening on 30 days' notice after 6 months. (Int'l Bro. of Papermakers, AFL)
Perth Amboy, N. J.					
National Gypsum Co.....	WE	\$1.12 hr.	9-1-50	450	Rate prior to increase was \$.95 hr., effective 9-1-49. Wage reopening 9-1-51. (United Cement, Lime, and Gypsum Workers, AFL)
Mobile, Ala.					
<i>Chemicals and Allied Products</i>					
Archer-Daniels-Midland Company.....	WE	\$1.05 hr.	7-3-50	450 approx.	Rates prior to increase ranged from \$1.44 hr. to \$1.75 hr., effective 7-1-49. Present contract expires 7-2-51. (UMW, Dist. 50)
Minneapolis, Minn.					
Great Lakes Carbon Corp.....	WE	\$1.10 hr.	7-19-50	n.a.	Increased sick leave and shift differential. One extra day vacation pay for each additional year after 10 years' service. Wage reopening 2-15-51 and 8-15-51. Contract expires 2-15-52. (Oil Workers' Int'l Union, CIO)
Port Arthur, Tex.					
Monsanto Chemical Company.....	WE	\$1.07 hr.	8-12-50	250	Two-year contract, automatic 6¢ hr. increase the second year. Supplementary paid sick leave in conjunction with group insurance. (United Gas, Coke, & Chemical Workers, CIO)
Miamisburg, O.					
National Vulcanized Fibre Co.....	WE	\$1.06 hr.	9-18-50	1,050	Additional 3½¢ hr. effective 12-18-50 in lieu of any further Christmas bonus. Additional 2¢ hr. effective 1-1-51, in lieu of wage reopening 4-3-51. Wage reopening 4-5-52. (United Electrical, Radio & Machine Workers)
Wilmington, Del.	S	5% & 7%	10-1-50	200	(No Union)
Pabco Products Inc.....	WE	\$1.025 hr.	6-1-50	209	Base rate prior to increase was \$1.475 hr., effective 6-1-49. One additional paid holiday making a total of 7. Wage reopening 6-1-51. (Int'l Longshoremen's and Warehousemen's Union, Ind.)
Redwood City, Calif.					
Sharp & Dohme, Inc.....	WE	\$1.04 hr.	10-2-50	1,133	Rate prior to increase was \$1.44 hr., effective 7-50. Contract expires 11-51. (United Gas, Coke & Chemical Workers, CIO)
Philadelphia, Pa.	S	\$1.04 hr.	10-2-50	375	Rate prior to increase was \$1.31 hr. and \$1.37 hr., effective 7-50. Contract expires 11-51. (Independent Employees Organization and CIO)
Shell Chemical Corporation.....	WE	6%	9-16-50	193 approx.	Minimum increase of 10¢ hr. Prior rates ranged from \$11.94 to \$15.25 day, effective 6-1-50. Wage reopening any time during period of agreement with proviso that failure to reach agreement on wages within 60 days from the notice date shall terminate the contract. (Oil Workers Int'l Union, CIO)
Pittsburgh, Calif.					

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Food and Allied Products</i>					
Corn Products Refining Company..... Argo, Ill.; North Kansas City, Mo.	WE	\$.09 hr.	8-6-50	550	Rate prior to increase was \$1.20 hr., effective 5-30-50. Four additional paid holidays. New group life plan. Reduced waiting period for health and accident benefits. Wage reopening on 30 days' notice. (Oil Workers, Int'l Union, CIO)
	S	\$10 mo. to \$25 mo.	8-1-50	100	Rate prior to increase was \$5.38 day, effective 7-1-48. Same benefits as above. (No. union)
Government Services, Inc..... Washington, D. C.	WE	\$.10 hr. across the board	8-1-50	n.a.	(Amal. Meat Cutters & Butcher Workmen, AFL)
John Morrell & Co..... Ottumwa, Ia.; Topeka, Kan.	WE	\$.11 hr.	retro. to 8-11-50	4,100	Rate prior to increase was \$1.15 hr. Wage reopening 2-11-51, 8-11-51 and 2-11-52. (United Packinghouse Workers, CIO)
Pillsbury Mills, Inc..... Astoria, Ore.	WE	\$.075 hr.	9-1-50	54	Rates prior to increase ranged from \$1.40 hr. to \$1.80 hr., effective 9-1-49. One new holiday—Washington's Birthday. Three weeks' vacation after 15 instead of 25 years. Wage reopening 9-1-51. (Int'l Longshoremen's and Warehousemen's Union)
The Rath Packing Co..... Waterloo, Ia.	WE	\$.11 hr.	8-14-50	90	Rate prior to increase was \$1.125 hr., effective 1-19-50. Wage reopenings 2-1-51, 8-11-51 and 2-15-52. (United Packinghouse Workers, CIO)
Terre Haute Brewing Co., Inc..... Terre Haute, Ind.	WE	\$.15 hr.	8-50	30	Five-year contract. Automatic annual increases of 15¢, 10¢, 6¢, 6¢ and 6¢. Seven paid holidays. Life insurance of \$1,000. Three weeks' vacation after 10 years' service. (Int'l Ass'n of Machinists, Ind.)
<i>Furniture and Allied Products</i>					
Kittinger Company, Inc..... Buffalo, N. Y.	WE	\$.08 hr.	10-1-50	200	Quarterly cost of living adjustments of 1¢ hr. for every 1.14 point change in BLS index. Family hospitalization and sick benefits. Wage reopening 10-1-53. (United Furniture Workers, CIO)
	S	\$.08 hr.	10-1-50	36	Same benefits as above. (No union)
*Kroehler Manufacturing Company.... Naperville, Ill.	WE	5%	10-9-50	5,000	General increase which affects production, maintenance, supervisory and office workers.
Old Colony Furniture Company..... Nashua, N. H.	WE	\$.10 hr.	9-1-50	80	One additional paid holiday making a total of 7. Reopening after 6 months. (United Furniture Workers, CIO)
<i>Leather and Allied Products</i>					
*Associated Shoe Industries of South-eastern Massachusetts, Inc. Brockton, Mass.	WE	\$.10 hr.	10-50	6,000	Cost of living increase. Minimum hourly rate set at 85¢. (Bro. of Shoe & Allied Craftsmen, Ind.)
B. T. Crump Company, Inc..... Richmond, Va.	WE	\$.06 hr.	9-1-50	46	Rate prior to increase was \$1.14 hr., effective 11-47. Wage reopening in one year on 30 days' notice or if cost of living in city of Richmond rises 5%. (United Paperworkers, CIO)
Eagle-Ottawa Leather Company..... Grand Haven, Mich.	WE	\$.055 hr.	8-20-50	445	Rate prior to increase averaged \$1.50 hr., effective 7-4-48. Six paid holidays. Company contributes towards group life, health and accident insurance. (UAW, AFL)
	S	\$.10 hr.	8-20-50	25	Rate prior to increase was \$1.70 hr. Same benefits as above. (No union)
International Shoe Co..... Interstate	WE	\$.06 hr.	10-2-50	21,000	Rate prior to settlement, \$.99 hr. was effective 2-49. Wage reopenings 9-30-51 and 11-30-51. (United Shoe Workers, CIO; Boot & Shoe Workers, AFL)
<i>Lumber and Allied Products</i>					
Curtis Companies Inc..... Sioux City, Ia.	WE	\$.07 hr.	9-25-50	147	Rate prior to increase, \$1.01 hr. plus incentive, was effective 4-18-49. (Int'l Woodworkers, CIO)
	S	\$.05 hr. to \$1.10 hr.	9-1-50	40	(No union)
Dierke Lumber & Coal Company..... Dierke, Ark.	WE	\$.06 hr.	7-25-50	2,000	Rate prior to increase was \$.75 hr., effective 1-1-50. Wage reopening 1-1-51. (Int'l Woodworkers, CIO)
T. R. Miller Mill Company, Inc..... Brewton, Ala.	WE	\$.02 hr. to \$0.06 hr.	9-18-50	622	Wage reopening 5-1-51. (Int'l Woodworkers, CIO)
	S	5%	9-18-50	51	(No union)
<i>Metal Manufactures</i>					
Louis Allis Co..... Milwaukee, Wis.	WE	\$.11 hr. average	9-11-50	1,100	Three weeks' vacation after 15 years' service instead of 20. Wage reopening 6-1-51. Contract expires 6-1-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Allis-Chalmers Corp..... West Allis, Wis.	S	\$5 mo. to \$8.50 mo.	10-9-50	800 approx.	Semiannual cost of living adjustments of \$1.75 mo. for every 1.25 point change in BLS index of 7-15-50. Wage reopening 7-51. (Ind. Engineers and Draftsmen's Ass'n)
Babcock and Wilcox Co..... Barberton, O.	WE	\$.12 hr.	9-25-50	3,522	Automatic 5¢ hr. improvement factor 7-1-51 and 7-1-52. (Federal Labor Union, AFL)
	S	7.5%	10-1-50	1,120	(No union)
Burndy Engineering Co., Inc..... New York, N. Y.	WE	\$.05 hr. production workers	10-30-50	n.a.	Voluntary increase. Remaining employees also received a voluntary increase of 3½% or a minimum of \$2 wk.
Caterpillar Tractor Co..... Peoria, Ill.	WE	\$.10 hr.	8-14-50	18,000	Starting rate prior to increase was \$1.16 hr., effective 7-30-48. Noncontributory pension plan. Wage reopening 7-51. (UAW, CIO)

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Metal Manufacturers (Continued)</i>					
*J. I. Case Co. Wisconsin	WE	a	12-4-50	12,000	Bonus of 3% to 6%, based on years of service. Affects employees at company's 8 plants and all sales branches.
Consolidated Packing Machinery Corp. Buffalo, N. Y.	WE	\$1.10 hr.	retro. to 6-3-50	n.a.	Automatic increase of 5¢ to 6¢ hr. effective 6-3-51. Reclassification and inequity adjustments amounting to approximately 5¢ hr. additional. Improved holiday and vacation plan. Paid life insurance. Two-year contract. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Crown Manufacturing Company..... Massachusetts	WE	10%	10-1-50	850	Base rate prior to increase was 97¢ hr., effective 1-5-48. Quarterly cost of living adjustment of 1¢ hr. for every 1.14 point change in BLS index. Wage reopening 10-1-53. (Textile Workers Union, CIO)
Deere & Company..... John Deere Harvester Works East Moline, Ill.	WE	3%	8-14-50	59	Annual increase of 3% for next 4 yrs. Cost of living adjustment of 1% for each 1% change in index from 170. In addition to annual increase, 3% at 8-14-50. New minimum guaranteed pension of \$100 mo. for 25 years' service; decrease of \$1.50 from the \$100 for each year of service less than 25. Increased company-paid insurance, hospitalization, surgical, and sick benefit insurance. (Int'l Ass'n of Machinists, Ind.)
Fairbanks, Morse & Company..... Three Rivers, Mich.	WE	\$0.06 hr.	7-19-50	80	Nonparticipating pension made effective 7-19-50. Wage reopening 7-19-51. (United Electrical, Radio & Machine Workers)
Food Machinery & Chemical Corp..... Bolens Products Div. Port Washington, Wis.	WE	\$1.10 hr.	9-25-50	112	Last previous increase was 10¢ to 12¢ hr., effective 9-48. (Int'l Ass'n of Machinists, Ind.)
Gardner Electric Manufacturing Co.... Emeryville, Calif.	WE	\$0.08 hr. across the board	7-1-50	107	Rates prior to increase ranged from \$1.42 to \$1.87 hr., effective 8-1-48. One added paid holiday making a total of 8. Added group insurance benefits. Wage reopening 6-30-51. (United Electrical, Radio & Machine Workers)
Globe-Union Inc..... Milwaukee, Wis.	WE	\$0.08 hr. to \$.13 hr.	7-1-50	2,000	(UAW, AFL)
Ideal Electric and Manufacturing Co.... Mansfield, O.	WE	\$0.05 hr.	9-4-50	284 approx.	Liberalized vacation program. Six paid holidays. Time and a half for Saturday as such, double time for Sunday as such. Wage reopening after 8-2-51 on 30 days' notice. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
	S	\$15 mo.	9-4-50	66 approx.	(No union)
Illinois Gear & Machine Co..... Chicago, Ill.	WE	\$1.10 hr.	11-1-50	400	Rate prior to increase was \$1.70 hr., effective 4-3-50. For holidays worked, 2½ times day's pay. Wage reopening 11-1-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
*International Harvester Co..... Interstate	WE	\$1.10 hr.	11-50	24,000	Of this increase, 6¢ is cost of living adjustment. Cost of living formula to start 12-1. Annual improvement factor of 4¢ hr. Higher-rated wage structure for day workers. Modified union shop. Liberalized vacation plan. (UAW, CIO)
International Projector Corporation.... Bloomfield, N. J.	WE	\$0.05 hr.	8-1-50	n.a.	Rate prior to increase was \$1.877 weighted average hourly earnings, effective 7-4-49. Some inequity adjustments 10-23-50. Three weeks' vacation after 15 years' instead of 20. Wage reopening 8-1-51. (United Electrical, Radio & Machine Workers)
Johnson Service Company..... Milwaukee, Wis.	WE	\$0.042 hr.	10-2-50	389	Increase of 6.7¢ hr. was granted 3-1-50. Christmas bonus of 4%. Wage reopening 7-1-51. (Int'l Ass'n of Machinists, Ind.)
	S	\$2.44 wk.	6-26-50	123	Increase of \$2.26 wk. was granted 1-1-50. Christmas bonus of 4%. (No union)
McCord Corp..... Corcoran Division Washington, Ind.	WE	\$0.08 hr.	9-23-50	350	Additional 4¢ hr. effective 9-23-51. Rate prior to increase, \$1.24 hr., was effective 2-23-50. Increased insurance benefits. Company-paid family coverage on Blue Cross and Blue Shield. Wage reopening 9-23-52. (United Electrical, Radio & Machine Workers)
	S	5%	10-1-50	50	Same benefits as above. (No union)
Mercury Manufacturing Co..... Chicago, Ill.	WE	\$1.145 hr.	8-28-50	135	Wage reopening 5-1-51 and 1-1-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Minneapolis-Honeywell Regulator Co.. Minneapolis, Minn.	WE	\$0.06 hr.	9-18-50	n.a.	Voluntary increase. Automatic 4¢ hr. across-the-board increase 2-15-51. Contract expires 2-15-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
National Acme Company..... Cleveland, O.	WE	\$0.05 hr.	9-1-50	1,600	Annual 4¢ improvement factor 10-1-51 and 10-1-52. GM-type cost of living formula. Pension benefits, life insurance, sickness and accident insurance. (Mechanics Educational Society, Ind.)
*National Cash Register Co..... Ithaca, N. Y.	WE	5%	11-7-50	600 approx.	Piece workers and salaried employees will receive a 4% increase. In 6-50, an increase of 3% had been granted. (Int'l Ass'n of Machinists, Ind.)
National Supply Company..... Torrance, Calif.	WE	3%	7-31-50	661	Previous increase granted 6-23-48. Liberalized group insurance, pension and paid holidays. Two-year contract. (Oil Workers Int'l Union, CIO)
Oliver Corp..... Charles City, Ia.	WE	\$0.04 hr.	8-5-50	1,810	Rates prior to increase ranged from \$0.97 hr. to \$1.70 hr., effective 5-3-48. Hospitalization and disability benefits increased. Wage reopening on 60 days' written notice. (United Electrical, Radio & Machine Workers)

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Metal Manufacturers (Continued)</i>					
Peerless Manufacturing Corporation... Louisville, Ky.	WE	\$.07 hr.	9-11-50	334	Rate prior to increase, \$1 hr. minimum hiring rate, was effective 11-1-49. Two-year contract agreed to 11-1-49 with one-year reopening clause. Wage reopening 9-12-51. (Int'l Molders and Foundry Workers, AFL)
Saco-Lowell Shops..... Biddeford, Me.	WE	10%	9-18-50	2,800	Rate prior to increase was \$1 hr., effective 1-5-48. Cost of living formula. Liberalized pension and group insurance. Reopenings on 3-15-53 for downward revision of wages and either up or down revision on 9-15-54. (Textile Workers, Union CIO)
	S	10% approx.	9-18-50	700	Same benefits as above. (No union)
Sonotone Corporation..... Elmsford, N. Y.	WE	\$.08 hr.	see remarks	450	Of this increase, 5¢ became effective 5-1-50 and 3¢ on 8-1-50. (United Electrical, Radio & Machine Workers)
	S	\$.15 mo.	7-1-50	200	(No union)
Stewart-Warner Corporation..... Chicago, Ill.	WE	\$.09 hr.	9-28-50	3,500	Quarterly cost of living adjustments of 1¢ hr. for every 1.14 point change in BLS index. Contract expires 10-4-53. (Int'l Bro. of Electrical Workers, AFL)
Supreme Knitting Machine Company, Inc. New York, N. Y.	WE	\$.085 hr.	9-1-50	125 approx.	Contract expires 7-31-51. (United Electrical, Radio & Machine Workers)
Surface Combustion Corporation..... Toledo, O.	WE	\$.095 hr.	5-29-50	195	Rate prior to increase was \$1.56 hr., effective 6-1-48. Pension plan of \$100 monthly minimum for 25 years of service and \$117.50 monthly minimum pension for 30 years of service. Improved insurance and hospital coverage. Wage reopening 6-1-51. (UAW, CIO)
	S	\$20 mo.	9-1-50	482	(No union)
*Texas Engineering and Manufacturing Co., Inc. Dallas, Tex.	WE	\$.10 hr. across the board	10-9-50	n.a.	Automatic 5¢ hr. every 16 weeks until maximum job rate classification is reached. One-year contract. (UAW, CIO)
*Westinghouse Air Brake Corp..... Wilmerding, Pa.	WE	\$.10 hr. piece-workers \$.15 hr. day workers	10-24-50	8,000	Salaried employees received \$30 mo. increase effective 11-1-50. (United Electrical, Radio & Machine Workers)
*Westinghouse Electric Corp..... Jet Engine Plant Kansas City, Mo.	WE	\$.10 hr.	10-50	895	Establishment of wage pool. Improved insurance benefits. Seven instead of 6 paid holidays. Double time and a half for holidays worked. Improved vacation schedule. (UAW, CIO)
<i>Metals</i>					
Aluminum Company of America..... Interstate	WE	10%	10-2-50	30,000	Rate prior to increase, \$1.47 hr. Wage reopening 11-30-50. (United Steelworkers, CIO; and other unions)
Chase Brass & Copper Co..... Cleveland, O.	WE	\$.05 hr.	5-22-50	n.a.	Company pays half insurance and hospitalization. Contract of 8-19-48 automatically renewed to 8-19-51. (Int'l Ass'n of Machinists, Ind.)
Erie Enameling Company..... Erie, Pa.	WE	\$.05 hr.	9-11-50	150	Life insurance and hospitalization. Wage reopening 6-1-51. (United Steelworkers, CIO)
	S	\$2 wk.	9-11-50	35	Same benefit as above. (No union)
Erie Malleable Iron Co..... Erie, Pa.	WE	\$.05 hr. across the board	9-4-50	300	Increased group insurance, paid holidays, and vacation benefits. Two-year contract. Wage reopening 6-1-51. (United Steelworkers, CIO)
Grand Street Metal Works..... Chicago, Ill.	WE	\$.08 hr.	8-21-50	n.a.	Dependents' coverage for all employees. Improved vacation plan. Wage reopening 8-21-51. (United Electrical, Radio & Machine Workers)
	S	\$4 wk.	8-21-50	n.a.	Same benefits as above. (No union)
National Lead Co..... Atlanta, Ga.	WE	\$.05 hr.	7-10-50	81	Rate prior to increase, \$.85 hr., was effective from 1948. Contributory medical, surgical and hospitalization insurance. (United Steelworkers, CIO)
Revere Copper and Brass Company.... Rome, N. Y.	WE	\$.10 hr.	10-4-50	2,200 approx.	Wage reopening 6-1-51. (Mechanics Educational Society, Ind.)
Reynolds Metals Co..... Louisville, Ky.; Richmond, Va.; St. Louis, Mo.; Listerhill, Ala.	WE	10%	10-2-50	4,300	Wage reopening 10-15-51. (Int'l Council of Aluminum Workers, AFL)
Scovill Manufacturing Company..... Waterbury, Conn.	WE	\$.05 hr.	10-9-50	5,400	Three weeks' vacation after 20 years' service. Average pay for holidays not worked instead of minimum of labor grade. Company-paid Blue Cross, medical, accidental death and dismemberment, sickness and accident benefits. Contributory group life insurance. Wage reopening 8-1-51. (Progressive Metal Workers Council, CIO)
	S	\$2 wk.	10-9-50	1,800	Same benefits as above. (No union)
Whitlock Manufacturing Co..... Elmwood, Conn.	WE	\$.08 hr. to \$.11 hr.	8-25-50	120	This year, Election Day granted as holiday. Contract expires 4-8-51. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
	S	\$.11 hr. approx.	10-25-50	100	Same benefit as above. (No union)

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Paper and Allied Products</i>					
American Box Board Company.....	WE	\$.07 hr. average	10-16-50	250	No wage reopening. (Int'l Bro. of Paper Makers, AFL)
Grand Rapids, Mich.					
American Tissue Mills.....	WE	\$.03 hr.	7-1-50	75	Wage reopening 2-1-51. (Int'l Bro. of Paper Makers, AFL)
S. Hadley, Mass.					
Chase Bag Co.....	WE	\$.06 hr.	8-7-50	135	Contributory Blue Cross plan. Improved vacation program. Wage reopening 8-7-51. (United Textile Workers, AFL)
Philadelphia, Pa.					
Coosa River Newsprint Company.....	WE	\$.07 hr. to \$.10 hr.	8-1-50	712	Fourth paid holiday. Three weeks' vacation after 15 years. Wage reopening once during life of contract, on 60 days' written notice. (Int'l Bro. of Paper Makers; Int'l Bro. of Pulp, Sulphite and Paper Mill Workers; Int'l Bro. of Electrical Workers; United Ass'n of Journeymen and Apprentices of the Plumbing and Pipefitting Industry, AFL)
Coosa Pines, Ala.					
Doeskin Products, Inc.....	WE	\$.07 hr. and \$.10 hr.	9-15-50	165	No wage reopening before 11-15-51. (Int'l Bro. of Paper Makers, AFL)
Wheelwright, Mass.					
Rockland, Del.	WE	\$.07 hr. to \$.10 hr.	9-1-50	235	Wage reopening on 60 days' notice. (Int'l Bro. of Paper Makers, AFL)
Downingtown Paper Company.....	WE	\$.04 hr.	8-7-50	358	Minimum rate prior to increase was \$1.18 hr., effective 3-9-50. Contract expires 3-9-51. Salaried employees received 7¢ hr. on salary evaluation. (United Paperworkers, CIO)
Downingtown, Pa.					
Fort Orange Paper Company.....	WE	5%	6-1-50	140	Three weeks' vacation after 25 years. Wage reopening on written notice by either party. (Int'l Bro. of Paper Makers, AFL)
Castleton, N. Y.	WE	\$.06 hr.	6-1-50	380	Three weeks' vacation after 15 years. Wage reopening on written notice by either party. (Int'l Bro. of Pulp, Sulphite and Paper Mill Workers, AFL)
Fort Wayne Corrugated Paper Company	WE	\$.06 hr.	8-28-50	150	No wage reopening. (United Paperworkers, CIO)
Chicago, Ill.					
Vincennes, Ind.	WE	\$.075 hr.	7-28-50	90	No wage reopening. (Int'l Bro. of Paper Makers, AFL)
Gaylord Container Corporation.....	WE	\$.07 hr.	9-11-50	150 approx.	Third week vacation after 15 years' service. Wage reopening 9-14-51. (United Paperworkers, CIO)
Atlanta, Ga.					
The Hinde & Dauch Paper Company...	WE	\$.05 hr. and \$.07 hr.	9-11-50	151	Average earned rate prior to increase, \$1.42 hr. Wage reopenings 9-1-51 and 9-1-52. (United Paperworkers, CIO)
Detroit, Mich.					
Hudson Pulp and Paper Company.....	WE	\$.10 hr.	8-28-50	165	Wage reopening 9-1-51. (Int'l Bro. of Paper Makers, AFL)
Bellows Falls, Vt.	S	\$3 wk. to \$6 wk.	8-28-50	10	(No union)
Mead Corporation.....	WE	\$.05 hr.	10-9-50	140	Previous increase of 4% effective 7-17-50 brought hourly rate to \$1.05 hr. Accident and sickness insurance added. Three weeks' vacation after 20 years' service. Wage reopening on 60 days' written notice by either party after 7-19-51. (Int'l Bro. of Paper Makers, AFL)
Leominster, Mass.	S	4%	10-2-50	29	Minimum increase of \$8. Previous increase of 4½% effective 7-10-50. Same benefits as above. (No union)
Sitroux Inc.....	WE	\$.06 hr.	10-23-50	350	Base rate prior to increase was \$1.11 hr., effective 5-13-50. Contract expires 5-31-51. (Int'l Bro. of Paper Makers, AFL)
Utica, N. Y.	S	5% approx.	10-23-50	30	(No union)
U. S. Envelope Co.....	WE	\$.05 hr.	8-7-50	275	Wage reopening after 2-7-51. (United Paperworkers, CIO)
North Chicago, Ill.					
*Wall Paper Manufacturers.....	WE	\$.125 hr. across the board	10-50	6,000 approx.	Three weeks' vacation after 15 years' service. Affects workers in 27 plants. (United Wallpaper Craftsmen and Workers, AFL)
Interstate					
<i>Petroleum and Allied Products</i>					
Continental Oil Co.....	WE	\$.134 hr.	9-16-50	97	Rate prior to increase was \$1.839 hr., effective 7-1-49. Double time for Sunday if it is seventh day worked in work week. Wage reopening in first ten days of each contract quarter year. (Oil Workers Int'l Union, CIO)
Denver, Col.					
Fiske Brothers Refining Co.....	WE	\$.10 hr.	10-1-50	45 approx.	One-year contract. (Oil Workers Int'l Union, CIO)
Newark, N. J.					
E. F. Houghton & Company.....	WE	8%	7-1-50	50	Wage reopening 6-1-51. (Oil Workers Int'l Union, CIO)
Argo, Ill.					
Shell Oil Company.....	WE	\$.11 hr.	9-23-50	1,200	Rates prior to increase ranged from \$1.50 hr. to \$2.02 hr., effective 5-1-49. One additional holiday, double time if worked. Contract ends 5-1-51. (Int'l Union of Operating Engineers, AFL)
Roxana, Ill.					
*Standard Oil Co. of Cal.....	WE	6%	9-16-50	3,000	Minimum increase of 10¢ hr. for daily rated employees and \$17.50 mo. for monthly salaried employees. Applies to persons not represented by a union.
*Standard Oil of Indiana.....	WE	6%	10-1-50	10,000 approx.	Minimum increase is 10¢ hr. for hourly rated employees and \$17.33 a mo. for salaried employees. Affects all supervisory and unorganized salaried and wage earning employees.
Interstate					

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Petroleum and Allied Products (Continued)</i>					
Union Oil Co. of Cal. Los Angeles, Cal.	WE	6%	9-16-50	1,250	Minimum increase of 10¢ hr. Rate prior to increase was \$14.62 day weighted average, effective 7-3-48. Wage reopening on 60 days' notice. (Oil Workers Int'l Union, CIO)
	S	6%	9-16-50	100	Minimum increase of \$17 mo. Rate prior to increase was \$295.37 mo. weighted average, effective 7-3-48. (No union)
<i>Public Utilities</i>					
Consolidated Edison System..... New York	WE & S	\$.05 hr.	12-31-50	26,806	Additional 5¢ hour effective 12-31-50 and 7-1-51, as a result of increase in maximum pay scales. Wage reopening 1-1-52. (Utility Workers Union, CIO)
San Diego Gas & Electric Co..... San Diego, Cal.	S	various	8-16-50	100	Three weeks' vacation after 15 years' service. (No union)
<i>Retail and Wholesale Trade</i>					
Gilchrist Company..... Boston, Mass.	WE	n.a.	7-1-50	542	Wage reopening 7-1-51. (Retail Clerks Int'l Ass'n, AFL)
Liggett Drug Company, Inc..... Connecticut	S	\$1 wk.	7-30-50	200	Work week reduced from 48 hrs. to 46 hrs. for males and from 46 hrs. to 45 hrs. for females. Cost of living index must change 5% before it will affect wages. Wage reopening 8-1-51. (Int'l Ass'n of Retail Clerks, AFL)
Philadelphia Dept. Stores..... Philadelphia, Pa.	WE	\$2.50 wk.	8-15-50	350 approx.	Rates prior to increase were \$41.50 wk. for sewers and \$57.50 wk. for tailors, effective 8-15-49. Reduction of 2½ weekly hours during June, July and August. Wage reopening 8-15-51. Covers Bonwit Teller, Blums Stores, Gimbels, Lits, Snellenburg's and Wanamakers. (Int'l Ladies Garment Workers, AFL)
<i>Rubber and Allied Products</i>					
*Firestone Tire & Rubber Co..... Interstate	WE	\$.12 hr. average	10-50	23,000	Provides for modified union shop. Increase differs for different areas. Wage reopening on 30 days' notice after 6-1-51. Contract expires 7-10-52. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
*General Tire & Rubber Co..... Tex. and O.	WE	\$.12 hr.	11-50	2,600	(United Rubber, Cork, Linoleum & Plastic Workers, CIO)
B. F. Goodrich Co..... Interstate	WE	\$.12 hr. average	10-16-50	16,000* approx.	Union shop arrangement.* Wage reopening on 30 days' notice after 5-31-51. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Goodyear Tire & Rubber Co..... Interstate	WE	\$.12 hr. average	10-18-50	25,000 approx.	(United Rubber, Cork, Linoleum & Plastic Workers, CIO)
Mansfield Tire & Rubber Company.... Mansfield, O.	WE S	a a	5-1-50 5-1-50	2,000 125	Pensions granted as of 7-1-50. Group insurance liberalized effective 10-1-50. Three weeks' vacation for 15 years of service. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
*Raybestos-Manhattan, Inc..... Manhattan Rubber Division Passaic, N. J.	WE	\$.08 hr.	10-19-50	2,400	(Manhattan Rubber Workers Union, Ind.)
*Seiberling Rubber Company..... Ohio	WE	\$.12 hr. across the board	10-16-50	1,700	Inequity adjustments also made. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
*U. S. Rubber Co..... Interstate	WE	\$.12 hr.	11-50	33,000	Result of wage reopening contract which expires 7-1-51. (United Rubber, Cork, Linoleum & Plastic Workers, CIO)
<i>Services</i>					
*Building Maintenance Employers Association New York	WE	\$5 wk.	10-50	1,200	Two-year contract. After 15 months will receive an additional \$1 day for remainder of contract. Additional paid holiday making a total of 10. (Building Service Employees, AFL)
*Children's Bus Service, Inc..... New York	WE	\$2 day	10-31-50	150	(Amal. Ass'n of Street, Electric Railway & Motor Coach Employees, AFL)
*Progressive Restaurant Owners Ass'n.. New York, N. Y.	WE	\$3 wk.	11-50	800	Basic wage now \$34.60 wk. Employers to pay full cost of benefits under state disability insurance law. (Hotel & Restaurant Employees, AFL)
*Restaurant & Night Club Workers.... New York, N. Y.	WE	\$2 wk. and \$3 wk.	retro. to 10-1-50	1,500	One-year contract. New minimum is \$30 wk. for waiters, waitresses and busboys and \$63 to \$68 for bartenders. (Hotel & Restaurant Employees, AFL)
<i>Stone, Clay and Glass Products</i>					
Ball Brothers Co., Inc..... Noblesville, Ind.	WE	\$.065 hr.	9-4-50	135	Rates prior to increase ranged from \$1.045 to \$1.335 hr. effective 2-4-50. Contract expires 2-4-51. (United Paperworkers, CIO)
Certain-Teed Products Corporation.... Richmond, Cal.	WE	5%	7-1-50	210	Base rate prior to increase was \$1.375 hr., effective 7-1-49. Wage reopening on 30 days' notice by either party. (Int'l Bro. of Paper Makers, AFL)
*Corning Glass Company..... Pennsylvania	WE	10%	10-9-50	7,000	(American Flint Glass Workers, AFL)
Libbey-Owens-Ford Glass Co..... Interstate	WE S	\$.10 hr. \$20 mo.	10-9-50 10-15-50	8,500 60	Additional 4¢ hr. granted to all nonbonus workers but is not part of the base rate, and would be replaced if any of the group is put on bonus rates. Bonus pool increased. Contract expires 5-15-52. (Federation of Glass, Ceramic & Silica Sand Workers, CIO)

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Stone, Clay and Glass Products (Continued)</i>					
Pittsburgh Plate Glass Co..... Zanesville, O.	WE	\$.05 hr.	6-1-50	300	Company-paid group health and accident insurance. Two weeks' vacation after 3 instead of 5 years' service. Five-year contractual pension plan effective 6-1-51. (United Cement, Lime & Gypsum Workers, AFL)
United States Potters Association..... Interstate	WE	\$.10 hr.	11-15-50	16,000	Rate prior to increase was \$1.44 hr. average, effective 10-1-48. Contract expires 10-1-51. (Nat'l Bro. of Operative Potters, AFL)
Universal-Rundle Corporation..... Interstate	WE	\$.10 hr.	9-11-50	468	Three weeks' vacation after 20 years' service. (Nat'l Bro. of Operative Potters, AFL)
	S	\$.10 hr.	9-11-50	70	Same benefit as above. (No union)
<i>Textile and Allied Products</i>					
Bemis Bros. Bag Company..... Minneapolis, Minn.	WE	\$.065 hr.	7-24-50	257	Hospital and surgical insurance on a contributory basis. No wage reopening. (Textile Workers Union, CIO)
New Orleans, La.	WE	7.5%	9-11-50	109	No wage reopening. (Textile Workers Union, CIO)
St. Louis, Mo.	WE	\$.07 hr.	9-25-50	426	No wage reopening. (Textile Workers Union, CIO)
Dan River Mills, Inc..... Danville, Va.	WE	8%	10-9-50	10,000	Wage reopening 2-51. (Textile Workers Union, CIO)
Duplan Corporation..... Hazelton, Berwick, Nanticoke and Kingston, Pa.	WE	10%	10-1-50	3,000	Wage reopening 3-15-51. (Textile Workers Union, CIO)
Forstmann Woolen Co..... Passaic, N. J.	WE	\$.12 hr.	10-9-50	3,900	Rate prior to increase averaged \$1.32 hr., effective 2-1-48. Wage reopening 2-1-51. (Textile Workers Union, CIO)
	S	10%	10-2-50	750	(No union)
Gilet Carbonizing Company..... Lowell and North Chelmsford, Mass.	WE	\$.12 hr.	10-9-50	166	Previous increase effective 2-1-50. Wage reopening 2-1-51. (United Textile Workers, AFL)
	S	see remarks	10-9-50	12	Increase equivalent to 12¢ hr. (No union)
Horrocks-Ibbotson Company..... Utica, N. Y.	WE	\$.13 hr. to \$.20 hr.	9-18-50	500	Prior rates ranged from \$.84 hr. to \$1.24 hr. Sixth paid holiday. Third week vacation for employees with 10 years' service. Wage reopening on 30 days' notice. (Textile Workers Union, CIO)
Keasbey & Mattison Company..... Ambler, Pa.	WE	\$.075 hr.	7-21-50	1,000	Rate prior to increase was \$1.09 hr. base, effective 7-21-49. Wage reopening 7-21-51. (United Textile Workers, AFL)
	S	\$10 mo. to \$20 mo.	8-1-50	200	(No union)
La Porte-Bachmann Woolen Mills, Inc.. La Porte, Ind.	WE	\$.075 hr.	9-3-50	330	Previous increase effective 4-11-48. (United Textile Workers, AFL)
The Landers Corporation..... Toledo, O.	S	\$.075 hr.	9-3-50	20	(No union)
	WE	\$.08 hr.	9-1-50	93	Annual 5¢ hr. increase effective 9-1-52 and 9-53. Cost of living adjustment for every 1.14 point change in BLS index. (Textile Workers Union, CIO)
	S	\$.08 hr.	9-1-50	35	Same benefit as above. (No union)
Newmarket Manufacturing Co..... Lowell, Mass.	WE & S	10%	10-1-50	850	Rate prior to increase was \$1.22 hr. average, effective 1-5-48. Automatic 5% increase 1951 and 1952. Increased insurance benefits. Surgical benefits. Wage reopening 9-1-53. (Textile Workers Union, CIO)
Sayles Biltmore Bleacheries, Inc..... Asheville, N. C.	WE	\$.09 hr.	9-18-50	534	Rate prior to increase was \$1.20 hr., effective 8-2-48. One additional paid holiday. Improved vacations and insurance plan. Wage reopening 8-15-52 or when general wage revision in competitive plants in area is put into effect. (United Textile Workers, AFL)
	S	\$.09 hr.	9-18-50	117	Same benefits as above. (No union)
Alexander Smith & Sons Carpet Co.... New York	WE	\$.10 hr.	10-1-50	6,000	Wage reopening 6-3-51. (Textile Workers Union, CIO)
	S	\$4 wk.	10-1-50	approx. 300	(Textile Workers Union, CIO)
Susquehanna Mills, Inc..... Philadelphia, Pa.	WE	10%	10-1-50	approx. 858	Rate prior to increase was \$1.27 hr., effective 1-5-48. Wage reopening 3-15-51. (Textile Workers Union, CIO)
	S	10%	10-1-50	23	Rate prior to increase was \$1.14 hr., effective 1-5-48. (No union)
Textileather Corporation..... Toledo, O.	WE	\$.08 hr. general increase	10-9-50	n.a.	Additional 4¢ hr. increase effective 10-9-51 and 10-9-52. Quarterly cost of living adjustments of 1¢ for every 1.14 point change in BLS index over the 8-15-50 base. Salaried employees received \$15 mo. cost of living adjustment. Three-year contract, no wage reopening. (Textile Workers Union, CIO)
William Whitman Co., Inc..... Lawrence, Mass.	WE	\$.12 hr.	10-9-50	3,650	Rate prior to increase was \$1.342 hr. average, effective 2-48. Wage reopening 2-51. (United Textile Workers, AFL)
	S	10%	10-9-50	163	Minimum increase of \$5. Rate prior to increase was \$52 wk. average. (No union)
<i>Transportation and Communication</i>					
*Atlanta & Gulf Coast Ship Radio Operators	WE	6.38%	10-15-50	1,000	Affects ship radio operators. War risk bonus provision extended. New overtime pay rates. (Amer. Radio Ass'n, CIO)
*Atlantic & Gulf Coast Steamship Operators	WE	6.38%	10-15-50	50,000	War risk insurance bonus increased. New overtime rates. (Nat'l Maritime Union, CIO; Seafarers Int'l Union, AFL)
*New England Telephone & Telegraph Co. Five New England states	WE	\$2 wk. to \$5 wk. maximum	10-50	approx. 27,000	Plant department basic increase of \$2 to \$5 wk.; traffic employees \$2 to \$4 wk. (Int'l Bro. of Telephone Workers; New England Federation of Telephone Operators, Ind.)

CONTRACT SETTLEMENT ANNOUNCEMENTS—OCTOBER 15 TO NOVEMBER 15—Continued

Company	Type of Worker ¹	Increase			Remarks
		Amount	Date Effective	Number Affected	
<i>Transportation and Communication (Cont.)</i>					
New Jersey Bell Telephone Co.....	WE	\$2.50 wk. to \$5 wk.	9-24-50	4,000	Affects construction and maintenance employees. Most wage progression schedules were shortened. Previous increase effective 7-21-49. Contract expires 3-23-52. (Telephone Workers Union of N. J., Ind.)
New Jersey	S	\$2.50 wk. to \$3 wk.	9-24-50	2,700	
*New Jersey	S	\$2 and \$3 wk.	10-6-50	11,000	Affects operators. About 50% of the operators received \$4 wk. increase as result of reduction in seniority time. (Communication Workers, CIO)
*New York Telephone Co.....	WE	\$2 wk. to \$5 wk.	10-50	15,000	Voluntary increase
Upstate, N. Y.					
*New York Telephone Co.....	WE	\$2 wk. to \$5 wk.	10-50	16,500	Previous wage range—\$36 to \$90 wk. Wage progression scale reduced to 6½ yrs. Contract expires 3-2-52. No wage reopening. (United Telephone Organization, Ind.)
New York					
Pacific Maritime Association.....	WE	\$1.10 hr.	9-30-50	15,000	Wage reopening 6-15-51. (Int'l Longshoremen's & Warehousemen's Union)
West Coast				approx.	
R.C.A. Communications.....	WE	\$1.12 hr.	11-1-50	1,600	Hospitalization and surgical benefits. Improved holiday and vacation schedules. Messengers will receive a \$2 wk. increase. One-year contract. (Amer. Communications Ass'n, Ind.)
Interstate and Hawaii					
<i>Miscellaneous</i>					
Aeolian American Corporation.....	WE	5%	10-16-50	n.a.	Increase granted because of present economic situation.
East Rochester, N. Y.	& S				
Becton, Dickinson & Co.....	WE	\$1.10 hr.	9-16-50	1,600	Average plant earnings prior to increase were \$1.50 hr., effective 9-16-49. Three weeks' vacation after 15 instead of 20 years' service. Wage reopening 11-15-51. (United Electrical, Radio & Machine Workers)
Rutherford, N. J.					
Capitol Records, Inc.....	WE	\$1.10 hr.	6-22-50	550	Rate prior to increase averaged \$1.285 hr., effective 10-1-49. (Int'l Ass'n of Machinists, Ind.)
South Scranton, Pa.					
Detroit Times.....	S	\$1.50 to \$2.50 wk.	5-1-50	386	Three weeks' vacation after 3 years' employment. Wage reopening 1-26-51. (Detroit Newspaper Guild, CIO)
Detroit, Mich.					
Ensign-Bickford Corporation.....	WE	8%	9-4-50	282	Result of wage reopening. Slight improvement in pension benefits. (Textile Workers' Union, CIO)
Simsbury and Avon, Conn.					
Lockheed Aircraft Corp.....	WE	6%	10-9-50	13,000	Rate prior to increase averaged \$1.605 hr., effective 11-28-49. Wage reopening 8-22-51. (Int'l Ass'n of Machinists, Ind.)
Burbank, Cal.	S	6%	10-9-50	1,600	(No union)
Maryland Drydock Co.....	WE	\$0.07 hr.	6-24-50	1,400	Rates prior to increase ranged from \$1.15 hr. to \$1.75 hr., effective 6-24-48. (Industrial Union of Marine & Shipbuilding Workers, CIO)
Baltimore, Md.					
Savage Arms Corporation.....	S	\$2 wk.	8-22-50	130	Pension plan not a part of contract but adopted by union membership effective 6-1-50. Minimum salary rates adjusted. Wage reopening in one year. (Office Employees Int'l Union, AFL)
Chicopee Falls, Mass.					
Wheelco Instrument Company.....	WE	\$0.07 hr.	3-13-50	130	Rate prior to increase was \$1.42 hr., effective 3-13-48. Increase of 3% in guaranteed bonus. Wage reopenings twice before 6-1-52. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
Chicago, Ill.					
Rudolph Wurlitzer Company.....	WE	\$1.10 hr.	10-1-50	1,500	Annual 4¢ hr. improvement factor. GM-type cost of living formula. Rate prior to increase was \$1.60 hr. average, effective 5-1-50. Contract expires 9-30-54. (Int'l Union of Electrical, Radio & Machine Workers, CIO)
North Tonawanda, N. Y.					

¹Type of worker: WE, wage earner; S, salaried employee.
a.Benefit only.

*Obtained from press reports—information not verified.
n.a.Not available.

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